

LEASE NO. AZ 13101357

WELL NAME RIDGEWAY ARIZONA OIL CORP 11-18 STATE

LOCATION C SW SEC 18 TWP 11 N RANGE 30 E FOOTAGE 1320' FSL & 1320' FWL

ELEV 6842' GR            KB SPUD DATE 5-4-04 STATUS            TOTAL  
COMP. DATE            DEPTH           

CONTRACTOR UNITED DRILLING INC, ALBUQUERQUE NM

CASING	IZE	DEPTH	CEMENT	LINER SIZE & DEPTH	DRILLED BY ROTARY
					DRILLED BY CABLE TOOL
					PRODUCTIVE RESERVOIR
					INITIAL PRODUCTION

[illegible]

ELECTRIC LOGS	PERFORATED INTERVALS	PROD. INTERVALS	SAMPLE LOG _____
			SAMPLE DESCRP. _____
			SAMPLE NO. _____
			CORE ANALYSIS _____
			DSTs _____
REMARKS _____			APP. TO PLUG _____
			PLUGGING REP. _____
			COMP. REPORT _____

WATER WELL ACCEPTED BY

BOND CO. BANK ONE ARIZONA CD'S

BOND NO. 4002111 AND 4002112

DATE 6/14/94 AND 11/18/94

ORGANIZATION REPORT YES

BOND AMT. \$ 25,000

CANCELLED

FILING RECEIPT 3120

LOC. PLAT X

WELL BOOK                      PLAT BOOK                      X

APL NO. 02-001-20320

DATE ISSUED 4/22/2004

DEDICATION FULL 640 ACRES SEC 18

PERMIT NUMBER 916

(over)

# SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator RIDGEWAY AZ OIL CORP.

2. OIL WELL ☐ GAS WELL ☒ OTHER ☐ (Specify) He/CO<sub>2</sub>

3. Well Name AZ STATE 11-18  
 Location 1320' F/w1 & 1320' f/s1  
 Sec. 18 Twp. 11N Rge. 30E County APACHE, Arizona

4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13-101357

5. Field or Pool Name ST. JOHNS HELIUM/CO<sub>2</sub> PROJECT

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

**NOTICE OF INTENTION TO:**

TEST WATER SHUT-OFF ☐ PULL OR ALTER CASING ☐  
 FRACTURE TREAT ☐ DIRECTIONAL DRILL ☐  
 SHOOT OR ACIDIZE ☐ PERFORATE CASING ☐  
 REPAIR WELL ☐ CHANGE PLANS ☐

(OTHER) SITE INSPECTION

☒

**SUBSEQUENT REPORT OF:**

WATER SHUT-OFF ☐ WEEKLY PROGRESS ☐  
 FRACTURE TREATMENT ☐ REPAIRING WELL ☐  
 SHOOTING OR ACIDIZING ☐ ALTER CASING ☐  
 ABANDONMENT ☐

(OTHER) \_\_\_\_\_

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

01-25-05 RAOC requested M.S. Construction to inspect all of the wells sites.] The winter storms have increased in Southern Apache County over the last two months.] RAOC has concerns of downed fence lines and debris at well sites.]

01-26-05 Site inspections will begin, should be completed by 02-11-05

01-26-05 Repaired fencing.

02-01-05 Cleaned well site of debris.]

8. I hereby certify that the foregoing is true and correct.

Signed

*Carmen Hanner*

Title Office Mgr.

Date 02-01-05

Permit No. 916

RECEIVED

FEB 25 2005

**STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION**

Sundry Notice and Reports On Wells

Form No. 25

File One Copy

Mail Completed Form to: Oil & Gas Program Administrator  
 Arizona Geological Survey  
 416 W. Congress #100  
 Tucson AZ 85701-1315

5/96

# SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator RIDGEWAY ARIZONA WELL CORPORATION
2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/C02
3. Well Name AZ STATE 11-18  
 Location 1320' FWL & 1320' FSL  
 Sec. 18 Twp. 11N Rge. 30E County APACHE, Arizona.
4. Federal, State or Indian Lease Number, or lessor's name if fee lease \_\_\_\_\_
5. Field or Pool Name ST. JOHNS He/C02 FIELD
6. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

## NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF  
 FRACTURE TREAT  
 SHOOT OR ACIDIZE  
 REPAIR WELL

PULL OR ALTER CASING  
 DIRECTIONAL DRILL  
 PERFORATE CASING  
 CHANGE PLANS

## SUBSEQUENT REPORT OF:

WATER SHUT-OFF  
 FRACTURE TREATMENT  
 SHOOTING OR ACIDIZING

WEEKLY PROGRESS  
 REPAIRING WELL  
 ALTER CASING  
 ABANDONMENT

(OTHER) Temporarily Abandon

X (OTHER)

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations, and measured and true vertical depths for all markers and zones pertinent to this work.

Plans are to TA this well within the next 12 months.

7. I hereby certify that the foregoing is true and correct.

Signed: \_\_\_\_\_

Title \_\_\_\_\_

Regulatory Technician

Date \_\_\_\_\_

01/28/05

Permit No. \_\_\_\_\_

916

## STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION

Sundry Notice and Reports on Wells  
 File One Copy

Form No. 25

RECEIVED  
 FEB 01 2005

# SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator RIDGEWAY ARIZONA WELL CORPORATION

2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/C02

3. Well Name AZ STATE 11-18

Location 1320' FWL & 1320' FSL

Sec. 18 Twp. 11N Rge. 30E County APACHE, Arizona.

4. Federal, State or Indian Lease Number, or lessor's name if fee lease \_\_\_\_\_

5. Field or Pool Name ST. JOHNS He/C02 FIELD

6. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

## NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐ PULL OR ALTER CASING ☐  
 FRACTURE TREAT ☐ DIRECTIONAL DRILL ☐  
 SHOOT OR ACIDIZE ☐ PERFORATE CASING ☐  
 REPAIR WELL ☐ CHANGE PLANS ☐

(OTHER) ☐

## SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐  
 FRACTURE TREATMENT ☐  
 SHOOTING OR ACIDIZING ☐

WEEKLY PROGRESS ☐  
 REPAIRING WELL ☐  
 ALTER CASING ☐  
 ABANDONMENT ☐

X

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations, and measured and true vertical depths for all markers and zones pertinent to this work.

10/23/04 - 01/25/05 - No activity

7. I hereby certify that the foregoing is true and correct.

Signed: [Signature]

Title Regulatory Technician

Date 1/28/05

1/28/05  
10/4/04

Permit No. 916

## STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION

Sundry Notice and Reports on Wells  
File One Copy

Form No. 25

RECEIVED

FEB 01 2005

# SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator RIDGEWAY ARIZONA WELL CORPORATION
2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/C02
3. Well Name AZ STATE 11-18  
Location 1320' FWL & 1320' FSL  
Sec. 18 Twp. 11N Rge. 30E County APACHE, Arizona.
4. Federal, State or Indian Lease Number, or lessor's name if fee lease \_\_\_\_\_
5. Field or Pool Name ST. JOHNS He/C02 FIELD
6. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

## NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐ PULL OR ALTER CASING ☐  
 FRACTURE TREAT ☐ DIRECTIONAL DRILL ☐  
 SHOOT OR ACIDIZE ☐ PERFORATE CASING ☐  
 REPAIR WELL ☐ CHANGE PLANS ☐

(OTHER) ☐

## SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐  
 FRACTURE TREATMENT ☐  
 SHOOTING OR ACIDIZING ☐

WEEKLY PROGRESS ☐  
 REPAIRING WELL ☐  
 ALTER CASING ☐  
 ABANDONMENT ☐

X

(OTHER) ☐

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations, and measured and true vertical depths for all markers and zones pertinent to this work.

10/18/04 - WHSIP - 20#. TIH w/ pkr to 1668' and set. Will only hold 12 pts tension. MIRU Petroplex. Start KCI wtr from feeding 2 bpm @ 160#. Increase rate and start sand/20 sxs press increase to 359#, drop 30 balls increase to 754#, start 20 sxs sand, brk to 424#. Start 30 balls press to 1886#. SD pkr up hole. Bleed off, release pkr and reset. Start wtr 4 bpm @ 553#, start remaining sand. Flush to perfs. Avg press-600#. Avg rate 4 bpm ISIP-163, 0 pressure in 3min. Total to recover 203 bbls 6000# sand in frm. RDMO Petroplex. Swab 4 runs, cut stuck. Release pkr and circ down ann 20 bbls gone swab free.

10/19/04 - WHSIP - 0, TOH w/ pkr, TIH w/ bailer, tag sand @ 1720'. Bail to 1817', bailer quit working. TOH and check empty cavity. TIH w/ bailer, tag sand at 1817', bail sand to 1850'. TIH ALY bailer down, TIH open ended to 1668'. RU swab and swab. Initial fluid at 500'. 3 runs fluid at 500', 5 runs pulling from 1000', 500' per run. Recovered 20 bbls of fluid. Fluid appears to be gas cut.

10/20/04 - WHSIP - 0psi; Swab w/ IFL @ 800' and 3 runs @ 1100', fluid staying @ 1100'-1300'; Annulus pressure increased starting on 56<sup>th</sup> run; Final annulus pressure 115 psi; recovered 112 bbls fluid. Rig broke down, 108 bbls load left to recover.

10/21/04 - Tbg slight blow, SI annulus press 134 psi. IFL @ 800' from surface. While swabbing fluid level at 1200'. Had good gas blow during runs and after the swab runs. Made 54 runs recovering 100 bbls of fluid. Last 5 runs recover less than 1 bbl/run. SI for 2 hrs tbg press 110 psi; ann press 190 psi. Blow tbg down resume swabbing. FL @ 1100' made 26 runs. Recovered total of 130 bbls. SDFN>

10/22/04 - tbg press 160 psi. csg press 160 psi. Blow down tbg and RU swab. Initial FL at 1100'. Make 28 runs fluid at SN. SI 1 hr. fluid at 1200', make 5 swab runs fluid at SN. SI 2 hrs, tbg press 110 psi. Fluid at 1200', make 5 runs fluid at SN. SI 1 hr tbg press 73 psi. Fluid at 1200', make 5 runs, fluid at SN. Made a total of 43 runs recoered 30 bbls. Bleed down backside, TOOH and LD Tbg. ND BOP, NU WH and flowline, RDMO pulling unit. WO swab unit.

7. I hereby certify that the foregoing is true and correct.

Signed: 

Title Regulatory Technician

Date 10/14/04

RECEIVED

OCT 26 2004

STATE OF ARIZONA  
OIL & GAS CONSERVATION  
COMMISSION

Sundry Notice and Reports on Wells  
File One Copy

Form No. 25

# **SUNDRY NOTICES AND REPORTS ON WELLS**

1. Name of Operator RIDGEWAY ARIZONA WELL CORPORATION
2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/C02
3. Well Name AZ STATE 11-18  
Location 1320' FWL & 1320' FSL  
Sec. 18 Twp. 11N Rge. 30E County APACHE, Arizona.
4. Federal, State or Indian Lease Number, or lessor's name if fee lease \_\_\_\_\_
5. Field or Pool Name ST. JOHNS He/C02 FIELD
6. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

**NOTICE OF INTENTION TO:**

TEST WATER SHUT-OFF  
FRACTURE TREAT  
SHOOT OR ACIDIZE  
REPAIR WELL

☐  
☐  
☐  
☐

PULL OR ALTER CASING  
DIRECTIONAL DRILL  
PERFORATE CASING  
CHANGE PLANS

☐  
☐  
☐  
☐

WATER SHUT-OFF  
FRACTURE TREATMENT  
SHOOTING OR ACIDIZING

**SUBSEQUENT REPORT OF:**

☐  
☐  
☐  
☐

WEEKLY PROGRESS  
REPAIRING WELL  
ALTER CASING  
ABANDONMENT

☒  
☐  
☐  
☐  
☐  
☐

(OTHER) \_\_\_\_\_

☐ (OTHER) \_\_\_\_\_

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations, and measured and true vertical depths for all markers and zones pertinent to this work.

10/18/04 - WHSIP - 20#. TIH w/ pkr to 1668' and set. Will only hold 12 pts tension. MIRU Petroplex. Start KCI wtr from feeding 2 bpm @ 160#. Increase rate and start sand/20 sxs press increase to 359#, drop 30 balls increase to 754#, start 20 sxs sand, brk to 424#. Start 30 balls press to 1886#. SD pkr up hole. Bleed off, release pkr and reset. Start wtr 4 bpm @ 553#, start remaining sand. Flush to perms. Avg press-600#. Avg rate 4 bpm iSiP-163, 0 pressure in 3min. Total to recover 203 bbls 6000# sand in frm. RDMO Petroplex. Swab 4 runs, cut stuck. Release pkr and circ down ann 20 bbls gone swab free.

10/19/04 - WHSIP - 0, TOH w/ pkr, TIH w/ bailer, tag sand @ 1720'. Bail to 1817', bailer quit working. TOH and check empty cavity. TIH w/ bailer, tag sand at 1817', bail sand to 1850'. TIH ALY bailer down, TIH open ended to 1668'. RU swab and swab. Initial fluid at 500'. 3 runs fluid at 500', 5 runs pulling from 1000', 500' per run. Recovered 20 bbls of fluid. Fluid appears to be gas cut.

10/20/04 - WHSIP - 0psi; Swab w/ IFL @ 800' and 3 runs @ 1100', fluid staying @ 1100'-1300'; Annulus pressure increased starting on 56<sup>th</sup> run; Final annulus pressure 115 psi; recovered 112 bbls fluid. Rig broke down, 108 bbls load left to recover.

10/21/04 -

7. I hereby certify that the foregoing is true and correct.

Signed: \_\_\_\_\_

Title \_\_\_\_\_

Regulatory Technician

Date \_\_\_\_\_

10/14/04

Permit No. \_\_\_\_\_

916

**RECEIVED**

OCT 25 2004

**STATE OF ARIZONA  
OIL & GAS CONSERVATION  
COMMISSION**

Sundry Notice and Reports on Wells  
File One Copy

Form No. 25

# SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator RIDGEWAY ARIZONA WELL CORPORATION
2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/C02
3. Well Name AZ STATE 11-18  
Location 1320' FWL & 1320' FSL  
Sec. 18 Twp. 11N Rge. 30E County APACHE, Arizona.
4. Federal, State or Indian Lease Number, or lessor's name if fee lease \_\_\_\_\_
5. Field or Pool Name ST. JOHNS He/C02 FIELD
6. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

## NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF  
FRACTURE TREAT  
SHOOT OR ACIDIZE  
REPAIR WELL

☐  
☐  
☐  
☐

PULL OR ALTER CASING  
DIRECTIONAL DRILL  
PERFORATE CASING  
CHANGE PLANS

☐  
☐  
☐  
☐

WATER SHUT-OFF  
FRACTURE TREATMENT  
SHOOTING OR ACIDIZING

## SUBSEQUENT REPORT OF:

☐  
☐  
☐  
☐

WEEKLY PROGRESS  
REPAIRING WELL  
ALTER CASING  
ABANDONMENT

☒  
☐  
☐  
☐  
☐

(OTHER) \_\_\_\_\_

☐ (OTHER) \_\_\_\_\_

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations, and measured and true vertical depths for all markers and zones pertinent to this work.

10/05/04 - MIRU A-Plus WS. MIRU Wireline. Set CIBP @ 2150'. Load casing with 6% Kcl & chut well in 3.5 hrs. Log 2140-surf. Perforate 4 squeeze holes @ 1572'. Pump 55 bbls 6% Kcl; Run log over interval again, fluid going above Amos Wash and indicates TOC @ 1922'. Perf 4 squeeze holes @ 1880'; RDMO WL; RIH w/ cement retainer to 1840'. Leave swinging will squeeze in the morning.

10/06/04 - MIRU BJ cmtg crew. Set retainer @ 1854'. Load annulus & pump 55 bbls on vacuum. Establish injection rate 2 bpm @ 200 psi w/ 25 bbls; Mix & pump 250 sx Cl C w/ 3% CaCl, .25 pps cellophane flakes & 1% FLA. Pump cement 3-4 bpm @ 200 psi; last 15 sx, slow rate to 2 bpm @ 600 psi, leave 1 bbl on top of retainer. POOH w/ tbq.

10/07/04 - Try to load csg pump 55 bbls, would not load. TIH w/ retainer to 1545' set and load annulus. Pump through retainer. SDFN.

10/08/04 - MIRU BJ cmt crew. Load and pressure annulus to 500 psi. Establish inj rate of 2 bpm @ 45psi with Kcl water. Mix and pump 250 sx premium cement with 3% CaCl, 1% FLA & 1/4# sx cello flake. Injection rate of 1.5bpm. Pressure steadily climbed from 45 psi to final pressure of 620psi, SD pump truck, pressure dropped to 570 psi and holding. Sting out of retainer and reverse out. TOOH, RDMO BJ.

10/11/04 - TIH w/ bit, DCs and tbq. Tag cmt @ 1494'. RU swivel and drill soft cmt. Cmt hard at 1515' drill to retainer at 1545', drill out retainer. Drill and push retainer to 1578', drill for 1 1/2 hrs with no losses. PU circ hole clean. SD due to lightning.

10/12/04 - Establish circ start drilling retainer, drill cmt to 1628'. RD swivel, TIH and tag cmt @ 1794'. RU swivel, drill cmt to 1850'. Circ clean. SDFN.

10/13/04 - Swab well down to 800' from surf. SD 1 hr no entry. TOH w/ tbq, LD collars. RU wireline, run bond log from 1840' to 780' bond-OK. Perforate Amos Wash 1790' to 1830' (42') and 1712' to 1764' (54'). RDMO WL. TIH w/ tbq to 1700'.

10/14/04 - SIWHP 0 psi. RU swab, make 8 runs swabbing from SN with no fluid entry. Wait 1 hr no entry. Wait 2 hrs no entry. TOOH with tbq.

7. I hereby certify that the foregoing is true and correct.

Signed: \_\_\_\_\_

Title \_\_\_\_\_

Regulatory Technician

Date \_\_\_\_\_

10/14/04

Permit No. \_\_\_\_\_

916

RECEIVED

OCT 25 2004

STATE OF ARIZONA  
OIL & GAS CONSERVATION  
COMMISSION

Sundry Notice and Reports on Wells  
File One Copy

Form No. 25

# SUNDRY NOTICES AND REPORTS ON WELLS

- Name of Operator RIDGEWAY ARIZONA WELL CORPORATION
- OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/C02
- Well Name AZ STATE 11-18  
Location 1320' FWL & 1320' FSL  
Sec. 18 Twp. 11N Rge. 30E County APACHE, Arizona.
- Federal, State or Indian Lease Number, or lessor's name if fee lease \_\_\_\_\_
- Field or Pool Name ST. JOHNS He/C02 FIELD
- Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

## NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐ PULL OR ALTER CASING ☐  
FRACTURE TREAT ☐ DIRECTIONAL DRILL ☐  
SHOOT OR ACIDIZE ☐ PERFORATE CASING ☐  
REPAIR WELL ☐ CHANGE PLANS ☐

(OTHER) ☐

## SUBSEQUENT REPORT OF:

WEEKLY PROGRESS ☐  
REPAIRING WELL ☐  
ALTER CASING ☐  
ABANDONMENT ☐

(OTHER) BLOCK SQUEEZE ☒

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations, and measured and true vertical depths for all markers and zones pertinent to this work.

10/05/04 - Set CIBP @ 2150'. Perforate 4 squeeze holes @ 1572'. Run temperature log over interval. Fluid going above Amos Wash and indicates top of cement @ 1922'. Perforate 4 squeeze holes @ 1880'. RDMO Wireline. RIH w/ cement retainer to 1854'.

10/06/04 - MIRU BJ Cementing crew. Establish injection rate 2bpm @ 200 psi w/ 25 bbls; mix & pump 250 sx Cl C w/ 3% CaCl, .25 PPS cellophane flakes, & 1% FLA; pump cement 3-4bpm @ 200 psi; last 15 sx, slow rate to 2bpm @ 600 psi.

10/07/04 - Try to load casing pump 55 bbls would not load. TIH with retainer to 1545' set and load annulus, pump through retainer.

10/08/04 - MIRU BJ cement crew. Establish injection rate of 2bpm @ 45psi with KCl water. Mix and pump 250 sx premium cement with 3% CaCl, 1% FLA and 1/4#/sx celloflake. Injection rate of 1.5bpm. Pressure steadily climbed from 45psi to final pressure of 620 psi. Shut down pump truck, pressure dropped to 570 psi and holding. Sting out of retainer and reverse out.

10/11/04 - Drill out retainer and cement. Clean out to 1850'.

10/13/04 - Swab well down to 800' from surface, shud down 1 hour; no entry.

RECEIVED

OCT 18 2004

7. I hereby certify that the foregoing is true and correct.

Signed: *Befam Grant*

Title Regulatory Technician

Date 10/14/04

Permit No. 916

## STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION

Sundry Notice and Reports on Wells  
File One Copy

Form No. 25



# SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator RIDGEWAY ARIZONA WELL CORPORATION

2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/C02

3. Well Name AZ STATE 11-18

Location 1320' FWL & 1320' FSL

Sec. 18 Twp. 11N Rge. 30E County APACHE, Arizona.

4. Federal, State or Indian Lease Number, or lessor's name if fee lease \_\_\_\_\_

5. Field or Pool Name ST. JOHNS He/C02 FIELD

6. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

## NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐ PULL OR ALTER CASING ☐  
 FRACTURE TREAT ☐ DIRECTIONAL DRILL ☐  
 SHOOT OR ACIDIZE ☐ PERFORATE CASING ☐  
 REPAIR WELL ☐ CHANGE PLANS ☐

(OTHER) ☐

## SUBSEQUENT REPORT OF:

☐ WEEKLY PROGRESS  
☒ REPAIRING WELL  
☐ ALTER CASING  
☐ ABANDONMENT

(OTHER) ☐

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations, and measured and true vertical depths for all markers and zones pertinent to this work.

09/13/04 - MIRU A-Plus Well Service

09/14/04 - MD casing valve & NU BOP & stripper head. RIH w/ wireline grab & tag fish @ 2220'; rotate pipe & POOH slowly. Recovered 4.5' of sandline which was stranded on both ends. Start in hole w/ overshot & tag obstruction @ 45'. POOH, look in wellbore with mirror and saw piece of metal wedged crosswise in wellbore. RIH w/ hook three times to catch fish w/ no success. Eash run pushed fish further in hole. SISDFN. Fish is no 80' from surface.

09/15/04 - RIH w/ 2 different rod hooks on sandline. Failed to catch fish but knocked it loose and it fell out of sight. RIH w/ wireline grab. Rotat on fish and POOH. Tbing pulled wet after 670'. Recovered two strands of wire rope about 1' long. RIH w/ overshot, tag fish and swallow it into the grapple. Start OOH dragging three joints then went free. Ran back to bottom and repeated. POOH recovering some wire in the grapple. While POOH a hydraulic tong hose broke. SD to replace hydraulic hose.

Continued.....

7. I hereby certify that the foregoing is true and correct.

Signed: 

Title Regulatory Technician

Date 10/14/04

Permit No. 916

## STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION

Sundry Notice and Reports on Wells  
File One Copy

Form No. 25

RECEIVED

OCT 25 2004

9-13 + 9-28

Sundry Notice - Arizona 11-18 cont.

09/16/04 - RIH w/ guide shoe & grapple. Caught fish and pulled 30 pts and it would not move up or down. Tie back lines and start jarring tubing at 46 pts with no movement for 30 min. Attempt to release fish, count not. Continue to jar for 1 hour. RU swab line and swab tubing dry in 3 runs, IFL @ 800' from surface. RD swab and begin jarring on fish again for 1 hr. The fish began moving down. After 30 min the fish began moving OOH. Start OOH at 2:30pm, pulling with drag on the first 3 jts. POOH w/ tubing, fishing tool and fish. The top two fins of the swab cups were badly damaged and there was a trace of sand in the cups. Break down fishing tools and RIH w/ SN & tbg, tag btm @ 2243' KB, Perfs 2210-2250', CIBP @ 2260'. SDFN.

09/17/04 - Slight blow, begin swabbing at 8:30am. IFL @ 700' from surf. Made 5 swab runs, FFL @ 1800'. The swab began to tag higher in tbg. POOH to check for an obstruction. Rabbitied tbg found no obstruction. RIH w/ tbg. Make 3 more swab runs all the way to the SN. SDFWKND.

09/20/04 - TP 0 psi, IFL 1800' from surface. Made 14 swab runs recovering approx 28 bbls of fluid. On the last run the swab started sticking at 1600' from surface. Pulled swab cups and they were covered with sand. RD swab, RIH w/ tubing and tag sand @ 2219'. This leaves only 9' of perforations open. TOH & SDFN.

09/21/04 - TP 0 psi. RIH w/ sand bailer. Tag sand @ 2210' and clean out to CIBP. SD for 30 min and check for fill - none. POOH w/ bailer and RIH w/ tbg. Began swabbing at 2:00pm. IFL @ 1750' FS, after 8 runs, fluid level stabilized at 1800' FS. Continue swabbing to dark. Recovered approx 43 bbls of water, FFL @ 1800' from surface.

09/22/04 - Made 3 swab runs & swabbed down to seating nipple. Make 2 swab runs per hour w/ fluid level 1800' from surf. Tbg pressure before each run increased to 40 psi by 15:20. 0 psi csg pressure due to leak on BOP. Made 21 swab runs recovering 60 bbls fluid w/ fluid level 1800' from surf.

09/23/04 - ND BOP, NU WH, IFL 1800' from surf. Swabbed 60 bbls fluid w/ FFL @ 1800' from surf.

09/24/04 - Swabbed 30 bbls fluid w/ FFL @ 1800' from surf. Sent gas and water samples in with crew.

09/27/04 - ITP 95 psi; ICP 0 psi. Blew down in 30-40 seconds. IFL 1600' from surf. Swabbed all day recovered 30 bbls of fluid from well. FFL was 1600' from surface. Would get slight blow after each swab run. Begin evaluation to come up hole to Amos Wash pay.

09/28/04 - ITP 95 psi, ICP 0 psi. IFL @ 1700' from surf. Made 4 swab runs recovering 12 bbls. SI RDMO.

RECEIVED

OCT 26 2004

916

**Subject:** AZ State 11-18

**From:** Alan Ameans <ameans@Cambrianmgmt.com>

**Date:** Tue, 24 Aug 2004 14:54:09 -0500

**To:** Steve Rauzi <steve.rauzi@azgs.az.gov>

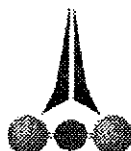
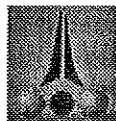
916

Mr. Rauzi,

Ridgeway was able to locate a swab unit to swab the subject well. We recovered approximately 40 bbls of load water on day one and the swab hung up in the hole on day two and the swab line parted. We rig down the swab rig and are currently waiting on a pulling unit to recover the swab.

thanks

Alan D. Means, PE  
Cambrian Management, Ltd



**Ridgeway**  
Petroleum Corp.

## ARCHIVES

9/16

Ridgeway Arizona Oil Corporation  
Arizona State #11-18  
August 24, 2004  
Summary of Events

The Ridgeway Arizona Oil Corporation Arizona State #11-18 was permitted with the Arizona State Land Commission and Oil and Gas Commission in the first quarter of 2004. United Drilling of Roswell, New Mexico was contracted to drill the well. The Arizona State #11-18 was spud at 3:15 pm on May 4, 2004.

A 12-1/4" hole was drilled to a depth of 1564' utilizing an air/foam drilling fluid system. A fresh water flow was encountered at 770' as anticipated. A significant fresh water flow with CO<sub>2</sub> was encountered at 1380'. The surface casing point at 1564' was selected by a geologist in order isolate the fresh water zones from the CO<sub>2</sub>/Hellum producing zones. An obstruction was encountered at a depth of 1048' while attempting to run the surface casing. The casing pulled from the well and the bridge was removed with the bit and drill pipe. The casing was rerun in the well without incident. The 8-5/8" casing was cemented in the hole with 346 sacks of cement. Cement was not circulated back to surface an additional 50 sacks of cement were pumped down the backside of the casing along with 9-1/2 yards of ready mix concrete. No unexpected problems were encountered during the drilling operations in the surface portion of the hole.

The 8-5/8" casing shoe was drilled out utilizing a 7-7/8" bit and air. The Fort Apache zone was encountered below the casing shoe. Some CO<sub>2</sub> was observed in the air returns while drilling the Fort Apache. At approximately 1608' water was encountered in the lower Fort Apache at this point the drilling fluid was converted to foam. The Amos Wash zones were drilled one lobe at a time shutting down the compressors to observe CO<sub>2</sub> from the zones. The CO<sub>2</sub> volumes increased as the lobes were drilled at 1750' the CO<sub>2</sub> concentration in the flow had increased to 780 ppm. Equipment was not available to run a drill stem test on either the Fort Apache or the Amos Wash.

A water flow was encountered from 1848' to 1925' drilling continued utilizing an aerated mud system. Additional water was encountered at 2053' and the mud system had to be converted to a fluid system. Drilling returns were completely lost below the water flow area at 2035' and the mud system was aerated utilizing compressors. Prior to drilling the Riggs Zone the mud system was converted to a 6% KCl in order to protect the producing horizon. The Riggs Zone was drilled and the well reached total depth of 2535' on the 8th day of drilling. An additional dolomite pay zone was discovered while drilling the Riggs Zone.

A bridge was encountered in the well at 2110' and the decision was made to complete the logging through casing. While waiting on equipment to run the 5-1/2" production casing a cement bond log was run to determine the quality of the cement behind the surface casing. During the operations of running the cement bond log the well kicked off and flowed ejecting the logging tools from the well.

Company
Projects
News Releases
Financials
Quote
Contact
Get More Info
To Shareholders
Industry Updates
Archives
Home

The 5-½" production casing was run in the well and cemented in two stages utilizing an external casing packer DV tool. The first stage was pumped without returns to the surface. After the external casing packer was set the second stage of cement was circulated to the surface. The drilling of the Arizona State #11-18 was completed at 11:20 am May 13, 2004.

The completion process for the Arizona State #11-18 has been slowed due to equipment availability. Oil and natural gas prices have been very high during 2004 resulting in an increase in activity in the oil and gas producing basins. The closest concentration of oilfield equipment to the Arizona State #11-18 is Farmington, New Mexico which is over 200 miles to the north northeast. In addition, the changes in Department of Transportation (DOT) regulations in the United States has severely limited the number hours an employee can drive between rest periods. As a result service companies are hesitant to send equipment on a 200+ mile trip if work is available much closer to their depots.

We were unable to locate a completion unit for the Arizona State #11-18 therefore the drilling rig was utilized to drill out the DV tool and clean out the wellbore. The process was started on June 2, 2004. After drilling out the DV tool a cement bond log was run in the well. It was discovered that there was a gap of no cement from 1911' to 1564'. The Riggs zone has good cement bond however there is no cement across the Ft. Apache and Amos Wash Zones. A cement squeeze will be required before completing these zones.

The Lower Riggs Zone was perforated from 2270' to 2305' June 5, 2004. We had to wait a week to get equipment to stimulate the zone, the interval was broken down with 60 barrels 6% KCl water and 60% nitrogen foam. Again equipment was not available to swab the fluid from the well until June 25, 2004. The zone was swabbed dry with little CO<sub>2</sub> flow. The perforations were acidized 2500 gallons of 10% acetic acid at 6 barrels per minute while pumping the acid 1200 pounds of sand was added to the fluids. After swabbing the fluids back the well began to flow slightly. Twelve hour surface shut-in pressures were as high as 500 psi. Gas samples indicated that the Helium content was .57% which was higher than anticipated. A cast iron bridge plug was set over the perforations and additional Riggs Zone pay was perforated from 2210' to 2250' on July 9, 2004.

Again, equipment could not be located to stimulate the upper Riggs Zone until July 31, 2004. The zone was fracture treated with 276 barrels of 6% KCl with 358,000 Standard cubic feet of nitrogen and 16,120 pounds of 20/40 sand. The well flowed load water, nitrogen and CO<sub>2</sub> for three days prior to ceasing to flow on August 2, 2004. A swab unit could not be located to swab the well until August 19, 2004. On the second day of swabbing the swab line parted just above the top of the swab cups. We are currently waiting on a completion unit to recover the parted swab from the well.

B.J. Services has analyzed the fluid recovered by the swab unit from two samples with results confirming the lack of any formation of water. The chloride contents were 1379 and 1779 ppm.

---

[\[Company\]](#) [\[Projects\]](#) [\[News\]](#) [\[Financials\]](#) [\[Quote\]](#) [\[Contact\]](#) [\[More Info\]](#)  
[\[To Shareholders\]](#) [\[Industry Updates\]](#) [\[Archives\]](#) [\[Home\]](#)

© Copyright 2004 Ridgeway Petroleum Corp.

# SUNDRY NOTICES AND REPORTS ON WELLS

- Name of Operator RIDGEWAY ARIZONA WELL CORPORATION
- OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/C02
- Well Name AZ STATE 11-18  
Location 1320' FWL & 1320' FSL  
Sec. 18 Twp. 11N Rge. 30E County APACHE, Arizona.
- Federal, State or Indian Lease Number, or lessor's name if fee lease \_\_\_\_\_
- Field or Pool Name ST. JOHNS He/C02 FIELD
- Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

## NOTICE OF INTENTION TO:

## SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF  
FRACTURE TREAT  
SHOOT OR ACIDIZE  
REPAIR WELL

☐  
☐  
☐  
☐

PULL OR ALTER CASING  
DIRECTIONAL DRILL  
PERFORATE CASING  
CHANGE PLANS

☐  
☐  
☐  
☐

WATER SHUT-OFF  
FRACTURE TREATMENT  
SHOOTING OR ACIDIZING

☐  
☒  
☐  
☐

WEEKLY PROGRESS  
REPAIRING WELL  
ALTER CASING  
ABANDONMENT

☐  
☐  
☐  
☐

(OTHER) ☐

(OTHER) \_\_\_\_\_

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

- DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations, and measured and true vertical depths for all markers and zones pertinent to this work.

07/31/04 - Open casing with a slight blow, MIRU Stinger Wellhead Protection and BJ Services. Breakdown perfs to 2210 to 2250' with KCl, breakdown pressure 1490 psi, ISIP 490 psi. Fracture well with 276 bbls of KCl with 358,000 cuft of N2 and 16,120 lbs of 20/40 sand.

08/01/04 - Well flowed to pit overnight and is still unloading frac fluid. Well flowing on a 16/64" choke at 72psi and a rate of 83 MCFPD. At 10:20 the well was SI to remove frac saver valve. Well was SI for 20 minutes, pressure built to 100 psi. The well was opened back up at 10:40am.

08/02/04 - The well flowed to pit over night and is still unloading frac fluid at 8:30am, FTP 12 psi, estimated rate 71 MCFPD. Left well flowing to pit. The fluid is still very foamy KCl water from frac.

08/19/04 - SITP 2-psi, MIRU Jimmy's swabbing service. Change out 5 1/2" ball valve. Begin swabbing casing at 10:00am. IFL 900' from surface. Made 22 swab runs pulling 200' on each run. Avg fluid level throughout day was 1400' from surface. Estimated fluid recovery 40 bbls. Removed swab cups and RIH to tag bottom. Tagged PBTD @ 2259' which 9' below the bottom perf. SDFN.

08/20/04 - SITP 12 psi, opened well, blew down immediately. IFL 1000' from surface. Made 23 swab runs and the well swabbed dry with small amt of gas. Est fluid recovery: 43 bbls. On the last run which was pulled from 2180' the swab stuck at 2180'. Worked stuck swab for 45 minutes, swab line broke close to rope socket. POOH with sand line and RDMO swab unit. The swab mandrel will have to be fished with tubing. FFL @ 2180'. Weak flow.

- I hereby certify that the foregoing is true and correct.

Signed: \_\_\_\_\_

Title Regulatory Technician

Date 10/14/04

Permit No. 916

## STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION

Sundry Notice and Reports on Wells  
File One Copy

Form No. 25

RECEIVED  
OCT 25 2004

5796

Arizona State #11-18  
Summary for Flowback testing

916

**SUMMARY: 07/31/04**

Open casing with a slight blow, MIRU Stinger Wellhead Protection and BJ Services. Breakdown perfs 2210' to 2250' with KCL, breakdown pressure 1490 psi, ISIP 490 psi. Fracture well with 276 bbls of KCl with 358,000 cuft of N2 and 16,120 lbs of 20/40 sand.

Max pressure: 1750 psi

Ave Pressure: 1600 psi

Ave Rate: 40 BPM

ISIP: 1168 psi, 5 min: 1028 psi, 15 min: 991 psi, Job complete at 3:40 pm on July 30, 2004

RD Frac saver and RU flow manifold, At 6:26 pm SITP was 925 psi. Opened well on a 1/4" choke

Time	Chk	FTP
6:34pm	1/4"	880
6:55pm	1/4"	740
7:20pm	1/4"	610
7:38pm	1/4"	520
7:55pm	1/4"	440

**SUMMARY: 08/01/04**

Well flowed to pit over night and is still unloading frac fluid. Well flowing on a 16/64" choke at 72 psi and a rate of 83 MCFPD. At 10:20 the well was shut-in to remove frac saver valve. Well was shut-in for 20 minutes pressure built to 100 psi. The well was opened back up at 10:40 am

Time	Chk	Pressure	Rate
11:04 AM	16/64"	78	
11:12 AM	24/64"	62	202 MCFPD
3:50 PM	24/64"	22	98 MCFPD

Time	Chk	FTP
6:34pm	1/4"	880
6:55pm	1/4"	740
7:20pm	1/4"	610
7:38pm	1/4"	520
7:55pm	1/4"	440

**SUMMARY: 08/02/04**

The well flowed to pit over night and is still unloading frac fluid at 8:30 am, FTP 12 psi, estimated rate 71 MCFPD, Left well flowing to pit. The fluid is still very foamy KCL water from frac.

Time	Chk	FTP
6:34pm	1/4"	880
6:55pm	1/4"	740
7:20pm	1/4"	610
7:38pm	1/4"	520
7:55pm	1/4"	440

Well died on 08/02/04. Waiting on swab unit or pullin gunit.

RECEIVED  
AUG 16 2004

# SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Ridgeway Arizona Oil Corp.

2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) Co2

3. Well Name AZ 11-18

Location 1320' FWL & 1320' FSL

Sec. 18 Twp. 11N Rge. 30E County Apache, Arizona

4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13101357

5. Field or Pool Name St. Johns He / CO2 Field

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐ PULL OR ALTER CASING ☐  
 FRACTURE TREAT ☐ DIRECTIONAL DRILL ☐  
 SHOOT OR ACIDIZE ☐ PERFORATE CASING ☐  
 REPAIR WELL ☐ CHANGE PLANS ☐

(OTHER) \_\_\_\_\_

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐ WEEKLY PROGRESS ☐  
 FRACTURE TREATMENT ☒ REPAIRING WELL ☐  
 SHOOTING OR ACIDIZING ☐ ALTER CASING ☐  
 ABANDONMENT ☐

(OTHER) \_\_\_\_\_

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.

07/31/04

Fracture well with 276 bbls of KCl,  
 with 358,000 cu ft of N2 and 16,120 lbs of 20/40 sand.

Max Pressure: 1750 psi

Ave Pressure: 1600 psi

Ave Rate: 40 BPM

ISIP: 1168 psi, 5 min: 1028 psi, 15 min: 991 psi, Job complete  
 at 3:40pm on July 31, 2004.

8. I hereby certify that the foregoing is true and correct.

Signed \_\_\_\_\_

Title Reg. Tech

Date 08/12/04

Permit No. 916

**STATE OF ARIZONA**  
**OIL & GAS CONSERVATION COMMISSION**  
 Sundry Notice and Reports On Wells  
 Form No. 25 File One Copy

RECEIVED  
 AUG 16 2004



# SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Ridgeway Arizona Oil Corp.  
 2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/CO2  
 3. Well Name AZ State 11-18  
 Location 1320' FWL 1320' FSL  
 Sec. 18 Twp. 11N Rge. 30E County Apache, Arizona  
 4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13101357  
 5. Field or Pool Name St. Johns He/CO2 Field

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

## NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐  
 FRACTURE TREAT ☒  
 SHOOT OR ACIDIZE ☐  
 REPAIR WELL ☐  
 (OTHER) \_\_\_\_\_

PULL OR ALTER CASING ☐  
 DIRECTIONAL DRILL ☐  
 PERFORATE CASING ☐  
 CHANGE PLANS ☐

## SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐  
 FRACTURE TREATMENT ☐  
 SHOOTING OR ACIDIZING ☐  
 (OTHER) \_\_\_\_\_

WEEKLY PROGRESS ☐  
 REPAIRING WELL ☐  
 ALTER CASING ☐  
 ABANDONMENT ☐

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.

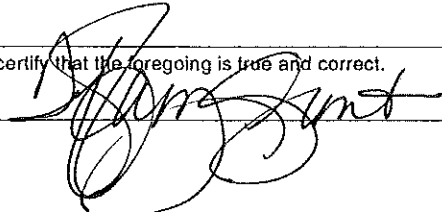
Prep to CO2/Sand fracture treat granite wash perforations 2210'-2250' on either 7/23 or 7/26/04.

RECEIVED

JUL 19 2004

8. I hereby certify that the foregoing is true and correct.

Signed



Title

Agent

Date

7/12/04

Permit No.

916

STATE OF ARIZONA  
 OIL & GAS CONSERVATION COMMISSION

Sundry Notice and Reports On Wells

Form No. 25

File One Copy

# SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Ridgeway Arizona Oil Corp.  
 2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/CO2  
 3. Well Name AZ State 11-18  
 Location 1320' FWL 1320' FSL  
 Sec. 18 Twp. 11N Rge. 30E County Apache, Arizona  
 4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13101357

5. Field or Pool Name St. Johns He/CO2 Field

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

## NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐ PULL OR ALTER CASING ☐  
 FRACTURE TREAT ☐ DIRECTIONAL DRILL ☐  
 SHOOT OR ACIDIZE ☐ PERFORATE CASING ☐  
 REPAIR WELL ☐ CHANGE PLANS ☐

(OTHER) \_\_\_\_\_

## SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐ WEEKLY PROGRESS ☐  
 FRACTURE TREATMENT ☐ REPAIRING WELL ☐  
 SHOOTING OR ACIDIZING ☒ ALTER CASING ☐  
 ABANDONMENT ☐

(OTHER) \_\_\_\_\_

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.

7/9/04 = Perforate additional granite wash pay from 2210' - 2250',  
 1spf, 42 holes

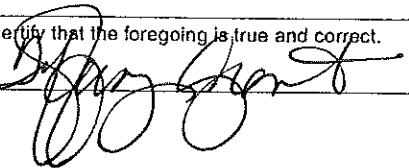
7/10/04 = Set CIBP @ 2260', isolating new perfs

RECEIVED

JUL 19 2004

8. I hereby certify that the foregoing is true and correct.

Signed



Title Agent

Date 7/12/04

Permit No. 916

STATE OF ARIZONA  
 OIL & GAS CONSERVATION COMMISSION

Sundry Notice and Reports On Wells

Form No. 25

File One Copy

# SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Ridgeway Arizona Oil Corp.  
 2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/CO2  
 3. Well Name AZ State 11-18  
 Location 1320' FWL 1320' FSL  
 Sec. 18 Twp. 11N Rge. 30E County Apache, Arizona  
 4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13101357

5. Field or Pool Name St. Johns He/CO2 Field

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

## NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	DIRECTIONAL DRILL	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	PERFORATE CASING	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>

(OTHER) \_\_\_\_\_

## SUBSEQUENT REPORT OF:

WATER SHUT-OFF	<input type="checkbox"/>	WEEKLY PROGRESS	<input type="checkbox"/>
FRACTURE TREATMENT	<input checked="" type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
SHOOTING OR ACIDIZING	<input type="checkbox"/>	ALTER CASING	<input type="checkbox"/>
		ABANDONMENT	<input type="checkbox"/>

(OTHER) \_\_\_\_\_

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.

6/30/04 - MIRU Halliburton acidize granite wash perfs 22<sup>7</sup>20'-2305' with 2500 gals 10% acetic acid, with 85 ball sealers. Flushed with gelled 6% KCL. Fracture treat with 1200# of 20/40 sand at 1/2 to 1 #/gal in 6% gelled KCL. Swab dry in 24 runs.

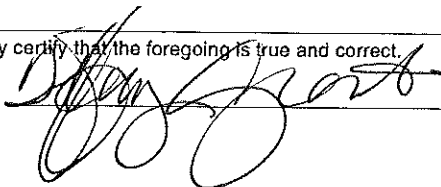
7/1 - 7/8 = Swab and flow test well. Rate of 38MCFPD and increasing, no water.

RECEIVED

JUL 19 2004

8. I hereby certify that the foregoing is true and correct.

Signed



Title

Agent

Date

7/12/04

Permit No.

916

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION

Sundry Notice and Reports On Wells

Form No. 25

File One Copy



2030 AFTON PLACE  
FARMINGTON, N.M. 87401  
(505) 326-6622

ANALYSIS NO. RA240001  
CUST. NO. 69020 - 11025

## WELL/LEASE INFORMATION

CUSTOMER NAME RIDGEWAY ARIZONA OIL  
WELL NAME STATE AZ 11-18  
COUNTY/STATE  
LOCATION  
FIELD  
FORMATION LOWER RIGGS  
CUST.GTH.NO.

SOURCE  
PRESSURE  
SAMPLE TEMP  
WELL FLOWING  
DATE SAMPLED 6/28/04  
SAMPLED BY  
FOREMAN/ENG. LEED ENERGY

REMARKS '2270 - '2306 PERFS, HE = 0.5737% (5737 PPM), H2 = 0.0284% (284 PPM), O2 = 0.0013% (13 PPM).  
DUPLICATE SAMPLE HAD THE SAME AMOUNT OF HELIUM AND HYDROGEN BUT  
ONLY 0.0003% (3 PPM) O2.

## ANALYSIS

COMPONENT	MOLE %	GPM**	B.T.U.*	SP.GR *
NITROGEN	10.088	0.0000	0.00	0.0074
CO2	89.818	0.0000	0.00	1.3850
METHANE	0.114	0.0000	1.16	0.0006
ETHANE	0.000	0.0000	0.00	0.0000
PROPANE	0.000	0.0000	0.00	0.0000
I-BUTANE	0.000	0.0000	0.00	0.0000
N-BUTANE	0.000	0.0000	0.00	0.0000
LPENTANE	0.000	0.0000	0.00	0.0000
N-PENTANE	0.000	0.0000	0.00	0.0000
HEXANE PLUS	0.000	0.0000	0.00	0.0000
TOTAL	100.000	0.0000	1.15	1.4630

\* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

\*\* @ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z) 1.0049  
BTU/CU.FT (DRY) CORRECTED FOR (1/Z) 1.2  
BTU/CU.FT (WET) CORRECTED FOR (1/Z) 1.1  
REAL SPECIFIC GRAVITY 1.4701

ANALYSIS RUN AT 14.730 PSIA & 60 DEGREES F

DRY BTU @ 14.650 1.2  
DRY BTU @ 14.696 1.2  
DRY BTU @ 14.730 1.2  
DRY BTU @ 15.025 1.2

CYLINDER # 1  
CYLINDER PRESSURE 492 PSIG  
DATE RUN 6/29/04  
ANALYSIS RUN BY JANA CARANTA

RECEIVED

JUL 06 2004

916

## Cambrian Management

### Daily Completion - Workover Report

WELL NAME:	Arizona State #11-18		DATE:	7/1/2004	
FIELD:	St. Johns He/CO2 field				
AFE NO.:		AFE AMOUNT:		WI %:	
PURPOSE:	Complete				
RIG CONTRACTOR:	Leede Well Service	RIG NO.:		PUSHER:	
PRESENT OPERATION:	Swab and Flow test				
FORECAST:	Evaluate				
ORIGINAL PBTD:	2489'	NEW PBTD:			
ORIG. OPEN PERFS / OH:				BOPD:	
NEW PERFS/OH:	2270' TO 2305'			BWPD:	
DAILY COSTS:	\$2,445	PRIOR CUM COST:	\$109,143	CUM COST:	\$111,588

SUMMARY:			TUBING LANDING DETAIL:
SITP 20 psi, SICP 100 psi. IFL 800' from surface			
Swab Run	Fluid level from surface	Fluid rec (bbls)	
1	800	5.56	
2	1200	3.7	
3	1200	3.7	
4	1800	2.78	
5	1900	2.3	
6	2000	1.16	
7	2000	0	
8	2000	1.16	
9	2000	1.16	
10	2100	0.7	
11	2200	0.37	ROD DESIGN:
12	2250	0	
22.59			
Started making one run per hr at 11:00am, casing pressure built to 280 psi by 2:00 pm. Well kicked off and began flowing, flowed for 2 hrs with little fluid recovery. At 4:00 pm a flowing gas sample was taken and the well was shut-in.			

RIG:	\$1,530	HYDROTEST	\$0	WELLHEAD:	\$0
WO FLUIDS:	\$350	WELL EQUIP:	\$0	ROUSTABOUT	\$0
BOP'S/RENTALS:	\$165	TUBING:	\$0	ELECTRICAL:	\$0
CEMENTING:	\$0	RODS:	\$0	PUMP REPAIR	\$0
PERF:	\$0	FLOWLINES:	\$0	PERFORATING	\$0
STIMULATION:	\$0	PUMPING UNIT:	\$0	OTHER:	\$0
TECH SUPER.	\$400	CONTROLABLE EQUIP:	\$0	OTHER:	\$0

TOTAL LOAD (BBLs):	205 bbl	SWAB (HRS):	6 hrs
LOAD TO RECOVER:	63.6	DAILY RECOVERY (BBLs):	22.6
FOREMAN:	Phelps White	TOTAL RECOVERY (BBLs):	141.4
		BO: _____	BW: _____

RECEIVED

JUL 06 2004

916

## Cambrian Management

### Daily Completion - Workover Report

WELL NAME:	Arizona State #11-18		DATE:	6/30/2004	
FIELD:	St. Johns Hs/CO2 field				
AFE NO.:		AFE AMOUNT:		WI %:	
PURPOSE:	Complete				
RIG CONTRACTOR:	Leede Well Service	RIG NO.:		PUSHER:	
PRESENT OPERATION:	Swab and Flow test				
FORECAST:	Evaluate				
ORIGINAL PBTD:	2489'	NEW PBTD:		BOPD:	
ORIG. OPEN PERFS / OH:				BWPD:	
NEW PERFS/OH:	2270' TO 2305'			MCFPD:	
DAILY COSTS:	\$22,100	PRIOR CUM COST:	\$87,043	CUM COST:	\$109,143

[illegible]

RIG:	\$1,400	HYDROTEST	\$0	WELLHEAD:	\$0
WO FLUIDS:	\$1,000	WELL EQUIP:	\$0	ROUSTABOUT	\$0
BOP'S/RENTALS:	\$0	TUBING:	\$0	ELECTRICAL:	\$0
CEMENTING:	\$0	RODS:	\$0	PUMP REPAIR	\$0
PERF:	\$0	FLOWLINES:	\$0	PERFORATING	\$0
STIMULATION:	\$18,400	PUMPING UNIT:	\$0	OTHER:	\$0
TECH SUPER.	\$1,300	CONTROLABLE EQUIP:	\$0	OTHER:	\$0

TOTAL LOAD (BBLs):	205 bbl	SWAB (HRS):	3 hrs
LOAD TO RECOVER:	86.2	DAILY RECOVERY (BBLs):	105
FOREMAN:	Phelps White	TOTAL RECOVERY (BBLs):	118.8
		BO: _____	BW: _____

RECEIVED

JUL 06 2004

916



916



Page 1



Page 1

916



Page 1

# SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Ridgeway Arizona Oil Corp.  
 2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/CO2  
 3. Well Name AZ State 11-18  
 Location 1320' FWL and 1320' FSL  
 Sec. 18 Twp. 11N Rge. 30 E County Apache, Arizona  
 4. Federal, State, or Indian Lease Number, or lessor's name if fee lease \_\_\_\_\_

5. Field or Pool Name St. Johns He/CO2 Field

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

## NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐ PULL OR ALTER CASING ☐  
 FRACTURE TREAT ☐ DIRECTIONAL DRILL ☐  
 SHOOT OR ACIDIZE ☐ PERFORATE CASING ☐  
 REPAIR WELL ☐ CHANGE PLANS ☐

(OTHER) Breakdown

☒

## SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐ WEEKLY PROGRESS ☐  
 FRACTURE TREATMENT ☐ REPAIRING WELL ☐  
 SHOOTING OR ACIDIZING ☐ ALTER CASING ☐  
 ABANDONMENT ☐

(OTHER) \_\_\_\_\_

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

6/12/04 - Break own granite wash perfs <sup>7</sup>2220' - 2305' w/ 50 bbls 6% nitrified KCL water  
 6/13/04 - SICP - 28 psi - wait on swab rig  
 6/25/04 - SICP - 91 psi - swab 12.8 bbl of load water  
 6/26/04 - SITP - 0 psi SICP - 280 psi - swab & flow 3 bbl of load water  
 6/27/04 - SITP - 350 psi SICP - 450 psi - well blew down  
 6/28/04 - SITP - 450 psi SICP - 500 psi - well blew down  
 6/29/04 - SITP - 400 psi SICP - 450 psi - well blew down, prep to stimulate  
 6/30/04 - Acidized perfs w/ 2500 gals 10% acetic acid followed with 38 bbl gelled KCL water and 1200 lbs 20/40 sand. Rec 105 bbl of load water  
 7/1/04 - SITP - 20 psi SICP - 100 psi - swab & flow 22.6 bbl of load water. Well kicked off flowing e 2:00 pm.

8. I hereby certify that the foregoing is true and correct.

Signed \_\_\_\_\_

Title Agent

Date 7/2/04

Permit No. 916

RECEIVED  
JUL 06 2004

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION

Sundry Notice and Reports On Wells  
File One Copy

Form No. 25

5/96

## SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Ridgeway Arizona Oil Corp.
2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/CO2
3. Well Name AZ State 11-18  
Location 1320; FWL and 1320' FSL  
Sec. 18 Twp. 11N Rge. 30E County Apache, Arizona
4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13101357
5. Field or Pool Name St. Johns He/CO2 Field

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	DIRECTIONAL DRILL <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	PERFORATE CASING <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(OTHER) <u>Breakdown</u>	<input checked="" type="checkbox"/>

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	WEEKLY PROGRESS <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ALTER CASING <input type="checkbox"/>
	ABANDONMENT <input type="checkbox"/>
(OTHER) _____	<input type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.

Plan to break down Granite wash perforations 2270' - 2305' with nitrified 6% KCL water on 6/11/04. After break down plans are to flow test well and collect necessary samples for analysis.

8. I hereby certify that the foregoing is true and correct.

Signed

Title

Agent

Date

6/9/04

Permit No. 916

RECEIVED  
JUN 14 2004

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
Sundry Notice and Reports On Wells  
File One Copy

Form No. 25



# SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Ridgeway Arizona Oil Corp.  
 2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) He/CO2  
 3. Well Name AZ State 11-18  
 Location 1320' FWL and 1320' FSL  
 Sec. 18 Twp. 11N Rge. 30E County Apache, Arizona  
 4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13101357

5. Field or Pool Name St. Johns He/CO2 Field

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

## NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐ PULL OR ALTER CASING ☐  
 FRACTURE TREAT ☐ DIRECTIONAL DRILL ☐  
 SHOOT OR ACIDIZE ☐ PERFORATE CASING ☐  
 REPAIR WELL ☐ CHANGE PLANS ☐

(OTHER) \_\_\_\_\_

## SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐ WEEKLY PROGRESS ☒  
 FRACTURE TREATMENT ☐ REPAIRING WELL ☐  
 SHOOTING OR ACIDIZING ☐ ALTER CASING ☐  
 ABANDONMENT ☐

(OTHER) \_\_\_\_\_

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

6/2/04 - Raised derrick on drilling rig, movee in power swivel  
 6/3/04 - RIH with 4 3/4" bit drill out cement and DV/ECP from 1512' to 1559', drill out cement to 2489'  
 6/4/04 - MIRU Black Warrior Wireline run GR/CCL/CBL and CNL  
 6/5/04 - Blew well fluid level down to 1692', perforate Granite wash from 2270' - 2305', 2 spf, well shot under balance, no flow  
 6/6/04 - Pressured up perfs with compressors to 575 psi, perfs did not break down. Prep to breakdown perfs with nitrified 6% KCL water

8. I hereby certify that the foregoing is true and correct.

Signed \_\_\_\_\_

Title Agent

Date 6/9/04

Permit No. 916

RECEIVED

JUN 14 2004

STATE OF ARIZONA  
 OIL & GAS CONSERVATION COMMISSION  
 Sundry Notice and Reports On Wells  
 File One Copy

Form No. 25

5-19-04 Phelps White called @ 4:00 p

Raoc has decided to not drill next 2 holes at this time  
will complete 11-18 1<sup>st</sup> then decide

Have a pulling unit ordered

About 2-3 week wait for unit with tight market  
He'll inform me when they move-in to complete hole.

United Drls may have another hole to drill.

= Randy Shawell

5-13-04. Call Phelps White

Having troubles with 11-13 hole

Anticipate moving to next hole Monday or Tuesday next week

Call Alan Means

TD at 2535' in granite. Running  $5\frac{1}{2}$ " CSG.

Ran into water at base of Ft. Apache & it looked fresh.  
Another zone of wtr at lower Amos Wash & it looked fresh.

Picked up another dolomite zone that was kicking  $CO_2$   
George thought it was a Wolfcamp dolomite zone.

drilled 30-40' into Ft. Apache to do flow test & got nothing  
drilled ahead & got carbonated water.

drilled into Amos Wash & got  $CO_2$

Planned to do DST but w/ all the wtr decide to run pipe  
& test through CSG.

drilled into a dolomite & got good kick of  $CO_2$

The hole would load up with wtr, go on vacuum, then blow  $CO_2$

Attempted to run logs. Well was bridging & heaving

Got logs right to base of Amos Wash.

decided to run CSG (hole not acting nicely) & log  
granite wash through pipe.

Thought was that fresh wtr coming from up the holes  
This hole shows that fresh wtr also below Ft. Apache.

Got a good cut job on surface pipe into Ft. Apache.

70-88,000 ppm TDS in his slide water fr PL #1 or NM hole.

He'll call Cabner Tanner & have her look through files.

# Cambrian Management, LTD

## Daily Drilling Report

WELL NAME: Ridgeway Arizona Oil Corp State #11-18 DATE: 5/16/04  
 Field: St. Johns CO2/Helium Field  
 AFE # \_\_\_\_\_  
 PURPOSE: Drill and Complete  
 RIG CONTRACTOR: United Drilling RIG NO.: 12 PUSHER: Manuel  
 PRESENT OPERATION: WOC  
 FORECAST: Prep to move rig

DAY # 10 DEPTH 2535 FOOTAGE 0

DAILY COSTS: \$118,483 PRIOR CUM COST: \$305,313 CUM COST: \$423,796

SUMMARY:		#1	#2	#3
6:00 - 7:15	Finish Running hole with casing, RD casing crews and RU BJ Services	Bit Size: 12 1/4"	7 7/8"	7 7/8"
7:15 - 11:20	Cement 5 1/2" casing as follows:	Jets	open	open
Stage #1	173 sacks Premium Lite High Strength FM + 3lbs/sack CSE + .25 lbs/sx Cello Flake + .2% bwoc CD-32 + 5lbs/sack LCM-1	Manuf.	Hughes	Varel
	Pheno Seal + 90.3% 4% KCl water	Type	H2211A	ER6008
	<i>no cut core on Stage</i>	In	40	1564
		Out	1564	1925
Stage #2	145 sacks Premium Lite High Strength FM + 3lbs/sack CSE + .2% bwoc CD-32 + .75% bwoc FL-32 + .3% Sodium Metasilicate + Pheno Seal + 90.3% 4% KCl			
	Plug down at 11:20 am circulate 10bbls of cement to surface			
	Start rigging down plan to move on Monday 5/17/04			
ECP @ 1538'				
BHA 21 6" Drill Collars				
Mud Weight	KCl water Rotary 60 Pump SPM			
Mud Viscosity	Wt on Bit: 40 Pump PSI			
Mud PH	Mud WL Cl water			

Rig (Footage)	\$0	Cementing	\$23,660	Trucking	\$0
Rig (Daywork)	\$3,250	Casing Crews	\$3,000	Environmental/safety	\$0
Drilling Fluid	\$0	Misc Rentals	\$200	Wellhead	\$0
Water	\$150	Open Hole Logging	\$0	Surveyor	\$0
Supervision	\$700	Mud Logging	\$0	Rat Hole	\$0
Location	\$0	On-Site Geological	\$700	Bits	\$0
Casing	\$63,375	Special Services	\$0	Casing tools	\$23,448

# Cambrian Management, LTD

## Daily Drilling Report

WELL NAME: Ridgeway Arizona Oil Corp State #11-18 DATE: 5/13/04  
 Field: St. Johns CO2/Helium Field  
 AFE # \_\_\_\_\_  
 PURPOSE: Drill and Complete  
 RIG CONTRACTOR: United Drilling RIG NO.: 12 PUSHER: Manuel  
 PRESENT OPERATION: Running casing  
 FORECAST: Prep to cement

DAY # 9 DEPTH 2535 FOOTAGE 0

DAILY COSTS: \$92,194 PRIOR CUM COST: \$213,119 CUM COST: \$305,313

SUMMARY:				#1	#2	#3
6:00 - 6:15	Safety Meeting	Bit	Size:	12 1/4"	7 7/8"	7 7/8"
6:15 - 7:30	TOOH for logs	Jets		open	open	open
7:30 - 11:45	Logging, Tools tagged up at 1958', worked thru. Set down on bridge at 2023'	Manuf.		Hughes	Varel	Reed
11:45 - 12:30	POOH hole and attempt to run CBL on surface casing, well kicked and blew	Type		H2211A	ER6008	4HOB007
	logging tools out of hole. Damaged tools	In		40	1564	1925
12:30 - 6:45	TIH to 1500' with drill assembly, WO pack-off	Out		1564	1925	
6:45 - 7:30	TIH to TD to clean out bridge. Cancel logging job and prep to run casing					
7:30 - 10:00	Pull 16 stands, wait 45 minutes and RIH to tag bottom					
10:00 - 1:00am	TOH laying down drill pipe					
1:00 - 2:00	WO casing crews					
2:00 - 2:45	Rig up casing crews					
2:45 - 6:00	RIH w/70 jts new 5 1/2" casing, 15.5#, K-55, boronized. Casing is equipped with guide shoe, float collar, ECP/DV, and 5 centralizers					
BHA	21 6" Drill Collars					
Mud Weight	KCl water Rotary 60 Pump SPM					
Mud Viscosity	Wt on Bit: 40 Pump PSI					
Mud PH	Mud WL Cl water					

Rig (Footage)	\$0	Cementing	\$0	Trucking	\$0
Rig (Daywork)	\$6,500	Casing Crews	\$0	Environmental/safety	\$0
Drilling Fluid	\$849	Misc Rentals	\$200	Wellhead	\$0
Water	\$245	Open Hole Logging	\$83,000	Surveyor	\$0
Supervision	\$700	Mud Logging	\$0	Rat Hole	\$0
Location	\$0	On-Site Geological	\$700	Bits	\$0
Casing	\$0	Special Services	\$0	Fuel	\$0

# Cambrian Management, LTD

## Daily Drilling Report

WELL NAME:	Ridgeway Arizona Oil Corp	State #11-18	DATE:	5/12/04
Field:	St. Johns CO2/Helium Field			
AFE #				
PURPOSE:	Drill and Complete			
RIG CONTRACTOR:	United Drilling	RIG NO.:	12	PUSHER: Manual
PRESENT OPERATION:	POOH to log			
FORECAST:	Run 5 1/2" casing			

DAY # 8 DEPTH 2535 FOOTAGE 333

DAILY COSTS: \$10,575 PRIOR CUM COST: \$202,544 CUM COST: \$213,119

SUMMARY:		#1	#2	#3	
6:00 - 10:00	Drill 2450-2535,	Bit Size:	12 1/4"	7 7/8"	7 7/8"
10:00-11:00	Circulate hole and pump 75 bbl mud pill, the well is blowing steady	Jets	open	open	open
11:00 - 11:30	Mix and pump 100 bbl mud pill, well still blowing steady	Manuf.	Hughes	Varel	Reed
11:30 - 1:30	Well flowing strongly. Shut in BOP and measured SI pressure of 20 - 50 psi.	Type	H2211A	ER6008	4HOB007
1:30 - 5:00 am	Prepare to kill well, Pump 100 bbl mud pill down annulus, well died. Continue pumping fluid into hole to keep static fluid level	In	40	1564	1925
5:00 - 6:00 am	TOH for logs	Out	1564	1925	
BHA	21 6" Drill Collars				
Mud Weight	KCl water Rotary	60	Pump SPM		
Mud Viscosity	Wt on Bit:	40	Pump PSI		
Mud PH	Mud WL	I water			

Rig (Footage)	\$0	Cementing	\$0	Trucking	\$0
Rig (Daywork)	\$6,500	Casing Crews	\$0	Environmental/safety	\$0
Drilling Fluid	\$1,500	Misc Rentals	\$200	Welhead	\$0
Water	\$100	Open Hole Logging	\$0	Surveyor	\$0
Supervision	\$700	Mud Logging	\$875	Rat Hole	\$0
Location	\$0	On-Site Geological	\$700	Bits	\$0
Casing	\$0	Special Services	\$0	Fuel	\$0

# Cambrian Management, LTD

## Daily Drilling Report

DATE: 5/11/04

AFE #

**RIG CONTRACTOR:** United Drilling

RIG NO.: 12

PUSHER: Manuel

FORECAST: TD & Log

DEPTH 2202

FOOTAGE 354

PRIOR CUM COST: \$186,519

CUM COST: \$202,544

SUMMARY:				#1	#2	#3
6:00 - 6:15	Safety meeting. Train new hand			Bit	Size:	12 1/4" 7 7/8" 7 7/8"
6:15 - 7:00	Drill from 1848' - 1925'; Pick up more water			Jets	open	open open
7:00 - 8:00	Circulate			Type	H2211A	Vareler6008Reed 4HOB
8:00 - 10:00	POOH & change bit					
10:00 - 11:30	RU mud pump					
11:30 - 13:45	RIH w/ bit #3					
13:45 - 14:30	Change to aerated mud sysytem; Fluid used is 6% Kcl water & air					
14:30 - 20:30	Drill 1925' - 2053'; Survey @ 2017' 1/2 dgree					
20:30 - 01:45	Picked up more water; Trying to regain circulation					
01:45 - 06:00	Dry Drill using water from pits because pits are full 2053' - 2202'					
BHA	21 6" Drill Collars					
Air Pressure						
Mud Weight	Kcl H2O	Rotary	60 Pump SPM			
Mud Viscosity		Wt on Bit:	40 Pump PSI			
Mud PH		Mud WL				

Rig (Footage)	\$0	Cementing	\$0	Trucking	\$1,200
Rig (Daywork)	\$6,500	Casing Crews	\$0	Environmental/safety	\$0
Drilling Fluid	\$2,500	Miso Rentals	\$200	Wellhead	\$0
Water	\$250	Open Hole Logging	\$0	Surveyor	\$0
Supervision	\$700	Mud Logging	\$875	Rat Hole	\$0
Location	\$0	On-Site Geological	\$700	Bits	\$3,100
Casing	\$0	Special Services	\$0	Fuel	\$0

# Cambrian Management, LTD

## Daily Drilling Report

WELL NAME:	Ridgeway Arizona Oil Corp	State #11-18	DATE:	5/10/04
Field:	St. Johns CO2/Helium Field			
AFE #				
PURPOSE:	Drill and Complete			
RIG CONTRACTOR:	United Drilling	RIG NO.:	12	PUSHER: Manual
PRESENT OPERATI	Drilling @ 1848'			
FORECAST:	Drill and Test Fort Apache zone			

DAY #	<u>6</u>	DEPTH	<u>1848</u>	FOOTAGE	<u>284</u>
DAILY COSTS:	<u>\$13,525</u>	PRIOR CUM COST:	<u>\$172,994</u>	CUM COST:	<u>\$186,519</u>

SUMMARY:		#1	#2
6:00 - 8:00 am	TIH, Test BOP to 1000 psi, held 15 minutes OK	Bit	Size: 12 1/4" 7 7/8"
8:00 - 2:30 pm	Tag Cement @ 1500'	Jets	open open
2:30 - 3:45 pm	Drill and Blow test 2 zones.	Type	H2211A Varex 6008
	Upper Ft. Apache 1564-1588, No entry (water or CO2)		
	Lower Ft. Apache 1564-1608'; Water 20-40 GPM w/ trace of CO2		
3:45 - 5:30	TOH for strap, made 2' correction		
5:30 - 6:45	WOO		
6:45 - 9:30 pm	TIH, build up foam and condition hole		
9:30 - 6:00 am	Drill 1610 - 1848, Blow test 2 zones - Amos A @ 1680'		
	Amos A @ 1680', No additional water. CO2 detected		
	Amos B @ 1750', Possible water increase, CO2 detected		
	While drilling through Amos zones, the CO2 concentration in the drilling returns increased from 200 ppm to 780 ppm		
BHA	21 6" Drill Collars		
Air Pressure	250 psi		
Mud Weight	Rotary	Pump SPM	
Mud Viscosity	Wt on Bit:	Pump PSI	
Mud PH	Mud WL		

Rig (Footage)	\$0	Cementing	\$0	Trucking	\$1,200
Rig (Daywork)	\$6,500	Casing Crews	\$0	Environmental/safety	\$0
Drilling Fluid	\$0	Misc Rentals	\$200	Wellhead	\$0
Water	\$250	Open Hole Logging	\$0	Surveyor	\$0
Supervision	\$700	Mud Logging	\$875	Rat Hole	\$0
Location	\$0	On-Site Geological	\$700	Bits	\$3,100
Casing	\$0	Special Services	\$0	Fuel	\$0



**Cambrian Management, LTD**

## Daily Drilling Report

WELL NAME:	<u>Ridgeway Arizona Oil Corp</u>	<u>State #11-18</u>	DATE:	<u>5/9/04</u>
Field:	<u>St. Johns CO2/Helium Field</u>			
AFE #	<u></u>			
PURPOSE:	<u>Drill and Complete</u>			
RIG CONTRACTOR:	<u>United Drilling</u>	RIG NO.:	<u>12</u>	PUSHER: <u>Manuel</u>
PRESENT OPERATION:	<u>WOC</u>			
FORECAST:	<u>Drill and Test Fort Apache zone</u>			

DAY #	<u>5</u>	DEPTH	<u>1564</u>	FOOTAGE	<u>0</u>
DAILY COSTS:	<u>\$8,800</u>	PRIOR CUM COST:	<u>\$164,194</u>	CUM COST:	<u>\$172,994</u>

SUMMARY:		#1	#2
6:00 - 11:00 am WOC	Bit	Size:	12 1/4"
11:00 - 1:00 pm Fill annulus to surface with 9 1/2 yards of ready mix	Jets	open	
1:00 - 6:00 am Dig out cellar, NU BOP, flow lines and test line	Type	H2211A	
BHA			
Mud Weight	Rotary	Pump SPM	
Mud Viscosity	Wt on Bit:	Pump PSI	
Mud PH	Mud WL		

Rig (Footage)	\$0	Cementing	\$0	Trucking	\$0
Rig (Daywork)	\$6,500	Casing Crews	\$0	Environmental/safety	\$0
Drilling Fluid	\$0	Misc Rentals	\$200	Wellhead	\$500
Water	\$500	Open Hole Logging	\$0	Surveyor	\$0
Supervision	\$700	Mud Logging	\$0	Rat Hole	\$0
Location	\$0	On-Site Geological	\$400	Bits	\$0
Casing	\$0	Special Services	\$0	Fuel	\$0

# Cambrian Management, LTD

## Daily Drilling Report

WELL NAME: Ridgeway Arizona Oil Corp State #11-18 DATE: 5/8/04  
 Field: St. Johns CO2/Helium Field  
 AFE # \_\_\_\_\_  
 PURPOSE: Drill and Complete  
 RIG CONTRACTOR: United Drilling RIG NO.: 12 PUSHER: Manual  
 PRESENT OPERATION: WOC  
 FORECAST: Prep to Drill out of 8 5/8" casing

DAY # 4 DEPTH 1564 FOOTAGE 0

DAILY COSTS: \$49,946 PRIOR CUM COST: \$114,248 CUM COST: \$164,194

SUMMARY:		#1	#2
.25 hrs Hold safety meeting	Bit	Size:	12 1/4"
6.25 hrs Washing and reaming to bottom	Jets	open	
4.5 hrs Circ hole	Type	H2211A	
1 hrs Pump 50 bbls water and 100 bbls of a mud pill with LCM			
7 hrs RU casing crews and run 35 joints 8 5/8" casing with Texas pat shoe, Insert float & centralizers			
2.5 hrs RU BJ Services and cement with 346 sx of premium lite FM w/3% CaCl, 1/4 #/sack Cello			
Flakes, 5#/sack LCM-1, 8% gel, 3#/sack Pheno Seal. Pump tail slurry consisting of 246 sacks of			
Type III cement 1% CaCl, 1/4#/sack Cello Flakes, and 2% KCl plug down at 4:50am			
1.5 hrs Pump 50 sacks of cement down annulus			
Cement did not circulate			
BHA: bit, 15-6" DC's			
Mud Weight	Rotary	Pump SPM	
Mud Viscosity	Wt on Bit	Pump PSI	
Mud PH	Mud WL		

Rig (Footage)	\$0	Cementing	\$31,264	Trucking	\$0
Rig (Daywork)	\$6,500	Casing Crews	\$5,182	Environmental/safety	\$0
Drilling Fluid	\$0	Misc Rentals	\$200	Wellhead	\$0
Water	\$500	Open Hole Logging	\$0	Surveyor	\$0
Supervision	\$700	Mud Logging	\$0	Rat Hole	\$0
Location	\$0	On-Site Geological	\$0	Bits	\$0
Casing	\$0	Special Services	\$0	Fuel	\$5,600

# Cambrian Management, LTD

## Daily Drilling Report

WELL NAME: Ridgeway Arizona Oil Corp State #11-18 DATE: 5/7/04  
 Field: St. Johns CO2/Helium Field  
 AFE # \_\_\_\_\_  
 PURPOSE: Drill and Complete  
 RIG CONTRACTOR: United Drilling RIG NO.: 12 PUSHER: Manuel  
 PRESENT OPERATION: Drilling 12 1/4" hole  
 FORECAST: Prep to Set 8 5/8" casing

DAY # 3 DEPTH 1564 FOOTAGE 184

DAILY COSTS: \$40,370 PRIOR CUM COST: \$73,878 CUM COST: \$114,248

SUMMARY:		#1	#2
6 hrs Drill from 1380' to 1564'	Bit	Size:	12 1/4"
4 hrs Circ and TOOH		Jets	open
2.5 hrs Wait on casing crews		Type	H2211A
7 hrs RIH with 8 5/8" casing 24# with Texas pat shoe, insert float, 6 cent. and cement basket*			
1 hrs RD casing crews			
3.5 hrs TIH, tag obstruction at 1070'. Start air and foam to circulate			
* Tag on 25 joint. Try unsuccessfully to work pipe through obstruction by reciprication, rotation, and pumping 110 bbls of water down casing. POOH laying down casing. The cement basket was in pieces and left 11 centralizer bow springs in the hole.			
BHA: bit, 4-8" DC's, 15-6" DC's			
Note: morning of May 6th a United Drilling employee suffered a heart attack and died. A complete report will be filed by United Drilling. The employee had a history of heart disease.			
Mud Weight	Rotary	Pump SPM	
Mud Viscosity	Wt on Bit	45	Pump PSI
Mud PH	Mud WL		

Rig (Footage)	\$0	Cementing	\$0	Trucking	\$0
Rig (Daywork)	\$6,500	Casing Crews	\$0	Environmental/safety	\$0
Drilling Fluid	\$1,320	Misc Rentals	\$200	Welhead	\$0
Water	\$500	Open Hole Logging	\$0	Surveyor	\$0
Supervision	\$700	Mud Logging	\$850	Rat Hole	\$0
Location	\$0	On-Site Geological	\$700	Bits	\$0
Casing	\$24,000	Special Services	\$0	Fuel	\$5,600

**Cambrian Management, LTD**  
**Daily Drilling Report**

WELL NAME:	<u>Ridgeway Arizona Oil Corp</u>	State # <u>11-18</u>	DATE:	<u>5/6/04</u>
Field:	<u>St. Johns CO2/Helium Field</u>			
AFE #	<u></u>			
PURPOSE:	<u>Drill and Complete</u>			
RIG CONTRACTOR:	<u>United Drilling</u>	RIG NO.:	<u>12</u>	PUSHER: <u>Manual</u>
PRESENT OPERATION:	<u>Drilling 12 1/4" hole</u>			
FORECAST:	<u>Prep to Set 8 5/8" casing</u>			

DAY #	<u>2</u>	DEPTH	<u>1321</u>	FOOTAGE	<u>857</u>
DAILY COSTS:	<u>\$10,920</u>	PRIOR CUM COST:	<u>\$62,958</u>	CUM COST:	<u>\$73,878</u>

<b>SUMMARY:</b>		#1	#2
1 hrs Drill from 464' to 525'		Bit	Size: 12 1/4"
.5 hrs Run deviation survey	3/4 degree @ 499'	Jets	open
14.5 hrs Drill from 525' to 1044'	Encountered slight water at 770'	Type	H2211A
.5 hrs Run deviation survey	Utilize 2nd compressor at 1000'		
8 hrs Drill form 1044' to 1321'	3/4 degree @ 1013'		
	Significant increase in water at approx. 1300'		
	water out with CO2		
BHA: bit, 4-8" DC's, 15-6" DC's			
Air pressure while drilling is 160 to 180 psi. After connections air pressure climbs to 250 psi			
Rig hand had a possible heart attack this morning will report on condition as soon as it is known.			
Mud Weight	Rotary Pump SPM		
Mud Viscosity	Wt on Bit 45 Pump PSI		
Mud PH	Mud WL		

Rig (Footage)	\$0	Cementing	\$0	Trucking	\$0
Rig (Daywork)	\$6,500	Casing Crews	\$0	Environmental/safety	\$0
Drilling Fluid	\$1,320	Misc Rentals	\$250	Wellhead	\$0
Water	\$600	Open Hole Logging	\$0	Surveyor	\$0
Supervision	\$700	Mud Logging	\$850	Rat Hole	\$0
Location	\$0	On-Site Geological	\$700	Bits	\$0
Casing	\$0	Special Services	\$0	Mob rig	\$0

# Cambrian Management, LTD

## Daily Drilling Report

WELL NAME:	Ridgeway Arizona Oil Corp	State #11-18	DATE:	5/5/04
Field:	St. Johns CO2/Helium Field			
AFE #				
PURPOSE:	Drill and Complete			
RIG CONTRACTOR:	United Drilling	RIG NO.:	12	PUSHER: Manual
PRESENT OPERATION:	Drilling 12 1/4" hole			
FORECAST:	Prep to Set 8 5/8" casing			

DAY # 1 DEPTH 464 FOOTAGE 424

DAILY COSTS: \$32,038 PRIOR CUM COST: \$30,920 CUM COST: \$62,958

[illegible]

Rig (Footage)	\$0	Cementing	\$0	Trucking	\$15,000
Rig (Daywork)	\$5,175	Casing Crews	\$0	Environmental/safety	\$0
Drilling Fluid	\$600	Misc Rentals	\$350	Wellhead	\$0
Water	\$1,000	Open Hole Logging	\$0	Surveyor	\$0
Supervision	\$700	Mud Logging	\$1,700	Rat Hole	\$0
Location	\$0	On-Site Geological	\$700	Bits	\$6,813
Casing	\$0	Special Services	\$0	Mob rig	\$0

# Cambrian Management, LTD

## Daily Drilling Report

WELL NAME: Ridgeway Arizona Oil Corp State #11018 DATE: 5/3/04  
Field: St. Johns CO2/Helium Field  
AFE # \_\_\_\_\_  
PURPOSE: Drill and Complete  
RIG CONTRACTOR: United Drilling RIG NO.: \_\_\_\_\_ PUSHER: \_\_\_\_\_  
PRESENT OPERATION: Wait on rig  
FORECAST: Prep to continue moving in and spud

DAY # \_\_\_\_\_ DEPTH \_\_\_\_\_ FOOTAGE \_\_\_\_\_

DAILY COSTS:	<u>\$0</u>	PRIOR CUM COST:	<u>\$30,920</u>	CUM COST:	<u>\$30,920</u>
--------------	------------	-----------------	-----------------	-----------	-----------------

[illegible]

Rig (Footage)	\$0	Cementing	\$0	Trucking	\$0
Rig (Daywork)	\$0	Casing Crews	\$0	Environmental/safety	\$0
Drilling Fluid	\$0	Misc Rentals	\$0	Welhead	\$0
Water	\$0	Open Hole Logging	\$0	Surveyor	\$0
Supervision	\$0	Mud Logging	\$0	Rat Hole	\$0
Location	\$0	On-Site Geological	\$0	Bits	\$0
Casing	\$0	Special Services	\$0	Mob rig	\$0

**Cambrian Management, LTD**  
**Daily Drilling Report**

WELL NAME: Ridgeway Arizona Oil Corp State #11018 DATE: 5/2/04  
Field: St. Johns CO2/Helium Field  
AFE #: \_\_\_\_\_  
PURPOSE: Drill and Complete  
RIG CONTRACTOR: United Drilling RIG NO.: \_\_\_\_\_ PUSHES: \_\_\_\_\_  
PRESENT OPERATION: Wait on rig  
FORECAST: Prep to continue moving in and spud

DAY # \_\_\_\_\_ DEPTH \_\_\_\_\_ FOOTAGE \_\_\_\_\_

DAILY COSTS:	\$0	PRIOR CUM COST:	\$30,920	CUM COST:	\$30,920
--------------	-----	-----------------	----------	-----------	----------

SUMMARY:		#1	#2
Wait on Rig	Bit	Size:	
		Jets	
		Type	
Mud Weight	Rotary	Pump SPM	
Mud Viscosity	Wt on Bit	Pump PSI	
Mud PH	Mud WL		

Rig (Footage)	\$0	Cementing	\$0	Trucking	\$0
Rig (Daywork)	\$0	Casing Crews	\$0	Environmental/safety	\$0
Drilling Fluid	\$0	Misc Rentals	\$0	Wellhead	\$0
Water	\$0	Open Hole Logging	\$0	Surveyor	\$0
Supervision	\$0	Mud Logging	\$0	Rat Hole	\$0
Location	\$0	On-Site Geological	\$0	Bits	\$0
Casing	\$0	Special Services	\$0	Mob rig	\$0

**Cambrian Management, LTD**

## Daily Drilling Report

WELL NAME:	Ridgeway Arizona Oil Corp	State #11018	DATE:	5/1/04
Field:	St. Johns CO2/Helium Field			
AFE #				
PURPOSE:	Drill and Complete			
RIG CONTRACTOR:	United Drilling	RIG NO.:	PUSHER:	
PRESENT OPERATION:	Dig rat hole			
FORECAST:	Prep to continue moving in and spud			

DAY # \_\_\_\_\_ DEPTH \_\_\_\_\_ FOOTAGE \_\_\_\_\_

DAILY COSTS:	<u>\$12,920</u>	PRIOR CUM COST:	<u>\$18,000</u>	CUM COST:	<u>\$30,920</u>
--------------	-----------------	-----------------	-----------------	-----------	-----------------

[illegible]

Rig (Footage)	\$0	Cementing	\$0	Trucking	\$0
Rig (Daywork)	\$0	Casing Crews	\$0	Environmental/safety	\$0
Drilling Fluid	\$0	Misc Rentals	\$0	Wellhead	\$0
Water	\$1,970	Open Hole Logging	\$0	Surveyor	\$0
Supervision	\$750	Mud Logging	\$0	Rat Hole	\$5,200
Location	\$0	On-Site Geological	\$0	Bits	\$0
Casing	\$0	Special Services	\$0	Mob rig	\$5,000



# Cambrian Management, LTD

## Daily Drilling Report

WELL NAME: Ridgeway Arizona Oil Corp. State #11-18 DATE: 4/30/04  
Field: St. Johns CO2/Helium Field  
AFE # \_\_\_\_\_  
PURPOSE: Drill and Complete  
RIG CONTRACTOR: United Drilling RIG NO.: \_\_\_\_\_ PUSHER: \_\_\_\_\_  
PRESENT OPERATION: Moving in Rig  
FORECAST: Prep to spud

DAY # \_\_\_\_\_ DEPTH \_\_\_\_\_ FOOTAGE \_\_\_\_\_

DAILY COSTS: \$18,000 PRIOR CUM COST: \$0 CUM COST: \$18,000

[illegible]

Rig (Footage)	\$0	Cementing	\$0	Trucking	\$0
Rig (Daywork)	\$0	Casing Crews	\$0	Environmental/safety	\$0
Drilling Fluid	\$0	Misc Rentals	\$0	Welhead	\$0
Water	\$0	Open Hole Logging	\$0	Surveyor	\$0
Supervision	\$750	Mud Logging	\$0	Rat Hole	\$0
Location	\$7,700	On-Site Geological	\$0	Bits	\$0
Casing	\$0	Special Services	\$0	Mob cost	\$9,550

Raoc 11-13

## CEMENT JOB REPORT

P/N 916



CUSTOMER Cambrian Management, LTD.		DATE 06-MAY-04	F.R. # 216430373	SERV. SUPV. TOM A CHACON						
LEASE & WELL NAME STATE 11-18 - API 02001203200000		LOCATION SEC.18-T11N-R30E		COUNTY-PARISH-BLOCK Apache Arizona						
DISTRICT Farmington		DRILLING CONTRACTOR RIG # UNITED # 12		TYPE OF JOB Surface						
SIZE & TYPE OF PLUGS		LIST-CSG-HARDWARE		PHYSICAL SLURRY PROPERTIES						
Cement Plug, Rubber, Top 8-5/8 in		Guide Shoe, Texas-Notched 8-5/8 in		SACKS OF CEMENT	SLURRY WGT PPG	SLURRY YLD FT <sup>3</sup>	WATER GPS	PUMP TIME HR:MIN	Bbl SLURRY	Bbl MIX WATER
		Alum Baffle Plate, Slip On, 8-5/8								
MATERIALS FURNISHED BY BJ										
4% KCL Water					8.4				30	
Premium Lite FM				346	12.1	2.15	11.17	05:00	132.40	92.02
Type III Cement				246	14.5	1.40	6.82	02:30	61.42	39.94
4% KCL					8.4				80.25	
Type III				50	14.8	1.35	6.53		12.05	7.77
Available Mix Water 400 Bbl. Available Displ. Fluid 97 Bbl.				TOTAL					316.12	139.73

HOLE			TBG-CSG-D.P.				COLLAR DEPTHS				
SIZE	% EXCESS	DEPTH	SIZE	WGT.	TYPE	DEPTH	GRADE	SHOE	FLOAT	STAGE	
12.25	63	1564	8.625	24	CSG	1566		1566	1521.3		
LAST CASING			DND CMT DET DR PL-LINER			PERF. DEPTH		TOP CONN		WELL FLUID	
SIZE	WGT	TYPE	DEPTH	BRAND & TYPE		DEPTH	TOP	BTM	SIZE	THREAD	WGT.
12.25		OPEN HOLE	1564				0	0	8.625	8RND	WATER BASED ML 8.34
DISPL VOLUME		DISPL. FLUID		CAL. PSI	CAL. MAX PSI	OP. MAX	MAX TBG PSI		MAX CSG PSI		MIX
VOLUME	UOM	TYPE	WGT.	BUMP PLUG	TO REV.	SQ. PSI	RATED	Operator	RATED	Operator	WATER
97	BBLs	4% KCL	8.4	410	0	0	0	0	2950	2360	Rig Tank

EXPLANATION: TROUBLE SETTING TOOL, RUNNING CSG, ETC. PRIOR TO CEMENTING:

PRESSURE/RATE DETAIL						EXPLANATION	
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW <input checked="" type="checkbox"/> CO. REP. <input checked="" type="checkbox"/>	
	PIPE	ANNULUS				TEST LINES 1500 PSI	
						CIRCULATING WELL - RIG <input checked="" type="checkbox"/> BJ <input type="checkbox"/>	
20:30	0	0	0	0	0	On Location	
03:14	1500	0	0	0	GEL	Start Pressure Test	
03:16	60	0	4	0	GEL	Start Gel Spacer	
03:23	40	0	4	20	KCL	Start KCL Spacer	
03:29	70	0	4	20	CMT	Start Lead Cement @12.10ppg	
04:02	70	0	4	132	CMT	Start Tail Cement @ 14.5ppg	
04:22	0	0	0	61	CMT	Shut Down/Drop Plug	
04:23	50	0	3	0	KCL	Start Displacement (97bbls)	
04:50	130	0	0	97	KCL	Shut Down/Shut In	
BUMPED PLUG	PSI TO BUMP PLUG	TEST FLOAT EQUIP.	BBL/CMT RETURNS/ REVERSED	TOTAL BBL PUMPED	PSI LEFT ON CSG	SPOT TOP OUT CEMENT	
<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	100	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	0	330	130	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	
SERVICE SUPERVISOR SIGNATURE: <i>Tom Chacon</i>							

**Ridgeway 11-18 State (Permit 916) SLR notes**

From the Tour sheets:

5/6/04-5/8/04.

06:30-01:30a (7) Run 8 5/8" casing. Don't go in & lay down csg. 25 jts.  
01:30-02:30 (1) Lay down csg crew.  
02:30-06:00 (3 1/2) TIH to wash down. Tag at 1070 ft.  
06:00-06:15 (1/4) Safety meeting on working around pressure hoses.  
06:15-12:30p (6 1/4) Washing down hole.  
12:30-05:00 (4 1/2) Circulate & wait on casing.  
05:00-06:00 (1) Pump 50 bbls fresh wtr & pump 100 bbls heavy mud.  
06:00-07:30 (1 1/2) TOH  
07:30-02:00a (6 1/2) Rig up csg crew & run 8 5/8" & rig down csg crew. 35 jts.  
02:00-04:00 (2) Rig up BJ & cmt. Plug down at 4:00 Arizona time.  
04:00-06:00 (2) W.O.C.

**Ridgeway 11-18 State (Permit 916) SLR notes**

5/6/04. Arrive location 3:30 pm (31 miles from Springerville. 8.2 miles dirt road)

United Drilling Company Rig 12, 84 ft mast, 160,000 # pull on blocks & mast.

Rated to 4,000 ft with 4" drill pipe. 7 ft KB

\$6,500/day plus fuel. \$7,200 for location.

Drilling with 2 compressors and one booster: 1500 cf/min, 160 psi 70% foam to TD.

8" drill collars 110#/ft. 6" drill collars 90#/ft.

4,000 bbl pit. Used 600 bbls to casing point with 1 3/4 bbls foam (alcohol)

Isidro Ruiz had a heart attack & died while making a connection last night (about 5am)

1st water flow about 770 ft – minor.

Casing crew on location at 5:30 pm, BJ on location at 7:45 pm.

Casing hanging up at 1,100 ft, try to wash down but can't so pull casing to clean hole.

Leave location 10:00 pm, arrive Springerville 11:00 pm.

5/7/04.

Call Phelps at 7:00 am.

Circulating and reaming hole. Thumbnail-sized pebbles from water sand at 1,100 ft.

Plan to pump 100 bbl heavy mud pill to hold back formation & run casing.

Lost part of cement basket in hole. May need to mill them out after setting casing.

Stop at 11-21 State (895): reserve pit fenced. Chained orbit valve. Wrong permit number on sign (891). Grass has reclaimed location.

Arrive location 1:30 pm.

Rick Novak on location. He was flying to Phoenix from Dallas & stopped in Springerville to visit rig. He rode out to the location with TEP security chief. He said Springerville did not want radon wafting from the Reliant plant.. Rick owns 600,000 shares of Ridgeway. His father, now 78, is also a big investor. They are getting anxious to see the project start moving.

Circulating foam.

Plan is to spot a 100 bbl heavy mud pill on bottom, POH, run casing, and cement.

Threads on about 15 joints of csg were flattened. Will replace with csg for next hole.

8 5/8" casing cost \$8/ft in December. Now it's about \$13/ft. Will retool in Farmington.

BJ stand by about \$200/hr.

Leave location 3:20 pm, arrive Springerville 4:15 pm.

Phelps calls 11:00 pm. They are about 1/3 of the way in with the casing.

Leave Springerville 11:10 pm.

5/8/04.

Arrive location 12:20 am

Rigging up mud pump to wash down last joint of casing and 20 ft landing stub.

Casing crew about \$1,200 but with standby about \$6,000.

Rig up BJ and cement casing. Plug down at 4:00 am. Cement did not circulate. Will top off with ready mix in the morning.

BJ about \$21,000 plus standby. BJ standby charge about \$200/hr?

Leave location 4:45 am, arrive Springerville 5:30 am.

5-7-04

11:00 Phelps calls =  $\frac{1}{3}$  in with csq.

lve 11:10 pm

61109

5-8-04

1148 12:20

141

6:00-6:15 ( $\frac{1}{4}$ ) Safety mts on working around Pressure

6:15-12:30 ( ) Washing down hole

12:30-5:00 ( $4\frac{1}{2}$ ) Circulate & wait on csq

5:00-6:00 (1) Pump 50 bbls fresh with & Pump 100 bbls heavy mud

6:00-7:30 ( $1\frac{1}{2}$ ) TOH + rig down csq crew

7:30-2:00 ( $6\frac{1}{2}$ ) Rig up csq crew & turn 8  $\frac{5}{8}$ " 35 jts A

arrive 11-18 @ 12:20 hissing up mud pump to wash last

Joint of csq down

2:00-4:00 (2) Rig up BS & cont plus down at 4:00 Arizona time

4:00-6:00 (2) W.O.C.

csq crew ~ 6,000 w/ stand by 1,200 other wire

BS 21000 + ? Standby ~ 200/hr?

lve 4:45

Spt 5:30

61171

5-7-04

Call Phelps @ 7:00a

RIH w/ bit - thumbnail size pebbles from w/ sand ~100'

Drill through Pull up drill through Pull up etc.

Plan to wash to bottom mud up to hold back Fun + Run csg.

lost centralizers + cut basket in hole = mill out after set csg.

11-21 reserve pit w/ fence - well head w/ chained orbit valve

Glass has backdated location. Wrong permit # on sign (#891)

5-6-04 6:30-1:30 (7) Run  $8\frac{5}{8}$ " csg Don't so in & lay down csg 25 jts

1:30-2:30 (1) lay down csg, crew

2:30-6:00 ( $3\frac{1}{2}$ ) T1H to wash down tag at 1070'

6:00-6:15 (1/4) Safety mts on workings around pressure hoses

6:15-12:30 washing down hole

Rick Novak - was flying to Phx + stopped in Springville to visit his  
he rode out w/ TEP Security chief - he said Springville didn't  
want badm waiting away from Reliant plant - i.e. more problems  
Rick owns 600,000 shares. His father, now 78, also is big investor.  
They are getting anxious to see this project start moving.

12:30-3:30 Cite from

- will spot 100 bbl heavy mud pill on bottom, PCH Run csg cut  
 $8\frac{5}{8}$ " csg ~ \$8/ft in Dec ~ \$13/ft now.

Several jts ~ 10-15 grooves flattened to replace w/ csg for next hole

BJ stand by ~ 200/hr (~5000 so far)

ive

5-6-04

260.8

252.6

8.2 from old sand shark.

Phil DeNitto

United Rig 12 85' mast 160,000# pull on blocks & derrick

4" American open hole thread 2 compressors hoists

1500 cf/min 160 psi 78% foam to TD. 4000' w/ 4" pipe.

7' Kb 8" collar 110#/ft 6" collars ~90#/ft

1562' csg point 1564' on geolograph

8.4# Sparat lead 12.1#/gal 34% sx 2.1 cubic tail 14.5# gal 24% 1.4cf/sx

100% excess

$$1.74 \times 433 = 0.75 \text{ psi/ft.}$$

1 side Ruis = heart attack while making connection last night<sup>25a</sup>

1st well flow ~ 770 ft minor

Csg crew on loc 5:30 p

6000 bbls to csg pt 13 1/4 bbl from (calculated) 4000 bbl pit.

6500/dy + fuel. 7200/location.

5 1/2" 15.5 #/ft LTC K55

BJ on loc 7:45

Csg hanging up 11 jts out 1100'

try to wash down, rotate texas shoe = nada

10:00 POH to RIH w/ Bit

60936 11:00

292.0

4-28-04 Phelps White 505-626-7660 (cell #)  
Contract pushed for Cambrian Mount-out of Roswell NM.  
24 hr notice - moving in equip for Ridgeway 11-18 state tomorrow.  
Moving in rig on Friday, rig up over weekend  
Expect to spud Monday, cut surf Tuesday  $\pm 1300'$   
Geologist to pick CSG point.  
Surf hole with mud then over to air package.  
Set conductor  $\sim 40'$ .  
discuss mouse & rat hole blow out on the 12-16-28 hole.

5-2-04 Phelps White called  
The rig was held up by the highway Dept. & would move in Mon.  
Now expect to start drilling Tuesday.

5-5-04 Phelps White  
Drlg at 464' @ 6:00 am. No wtr yet.  
Hit wtr at 380' in well to north  
\* Spud yesterday at 3:15 pm  
Geologist to pick CSG point  $\pm 20'$  into Ft. Apache  
possibly  $\pm 1500'$ .

drilling at about 820-850' @ 4:00 p.  
No wtr yet - no lost circ. Drilling w/ foam.  
Next possible problem point  $\sim 1150'$

5-6-04 About 100' to CSG point & drilling fast  
Hole set wtr on connections.  
If hole gets wtr logged they'll need a booster  $\sim$  several hrs.  
Will need 5 hrs for CSG crew to arrive.  
If no problems to TD probably tonight.  
If need booster then tomorrow.  
lock on TEP gate is 1, 2, 3, 4.





## PERMIT TO DRILL

This constitutes the permission and authority from the

OIL AND GAS CONSERVATION COMMISSION,  
STATE OF ARIZONA,

To: RIDGEWAY ARIZONA OIL CORP  
(OPERATOR)

to drill a well to be known as

11-18 STATE

(WELL NAME)

located 1320' FSL & 1320' FWL

Section 18 Township 11N Range 30E, APACHE County, Arizona.

The FULL 640 ACRES of said  
Section, Township and Range is dedicated to this well.

Said well is to be drilled substantially as outlined in the attached Application and must be drilled  
in full compliance with all applicable laws, statutes, rules and regulations of the State of Arizona.

Issued this 22 day of APRIL, 2004, 19  .

OIL AND GAS CONSERVATION COMMISSION

By SL Ramez

EXECUTIVE DIRECTOR  
OIL & GAS ADMINISTRATOR

PERMIT 00916

RECEIPT NO. 3120

A.P.I. NO. 02-001-20320

State of Arizona  
Oil & Gas Conservation Commission  
Permit to Drill

FORM NO. 27

# APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL ☒

RE-ENTER OLD WELL ☐

NAME OF COMPANY OR OPERATOR

Ridgeway AZ Oil Corp. P.O. Box 1110 St. Johns AZ. 85936

Address

City

State

United Drilling, Inc.

Drilling Contractor

P.O. Box 7698 Albuquerque, NM 87194-7698

Address

## DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor  
13101357

Well number

AZ11-18

Elevation (ground)

6842.37

Nearest distance from proposed location to property or lease line:

1320' feet

Distance from proposed location to nearest drilling, completed or applied—for well on the same lease:

Approx. 10,560'

feet

Number of acres in lease:

2393.62

Number of wells on lease, including this well, completed in or drilling to this reservoir:

2

If lease, purchased with one or more wells drilled, from whom purchased:

Name

Address

Well location (give footage from section lines)

1320' N. & 1320' E. of SW Cor.

Section—township—range or block and survey

Section 18, T 11N, R 30E

Dedication (Comply with Rule 105)

640 Acres

Field and reservoir (if wildcat, so state)

Wildcat

County

Apache

Distance in miles, and direction from nearest town or post office

22 Miles NE of Springerville, Arizona

Proposed depth:

2800'

Rotary or cable tools

Rotary

Approx. date work will start

May 1, 2004

Bond Status

On File

Organization Report

Filing Fee of \$25.00

Amount

On file X

Or attached

Attached X

Remarks:

API # 02-001-20320

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the \_\_\_\_\_ of the

Ridgeway AZ Oil Corp.

(company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

Date

Permit Number:

916

Approval Date:

4-22-2004

Approved By:

SL Raut

Notice: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
Application to Drill or Re-enter  
File Two Copies

Form No. 3

(Complete Reverse Side)

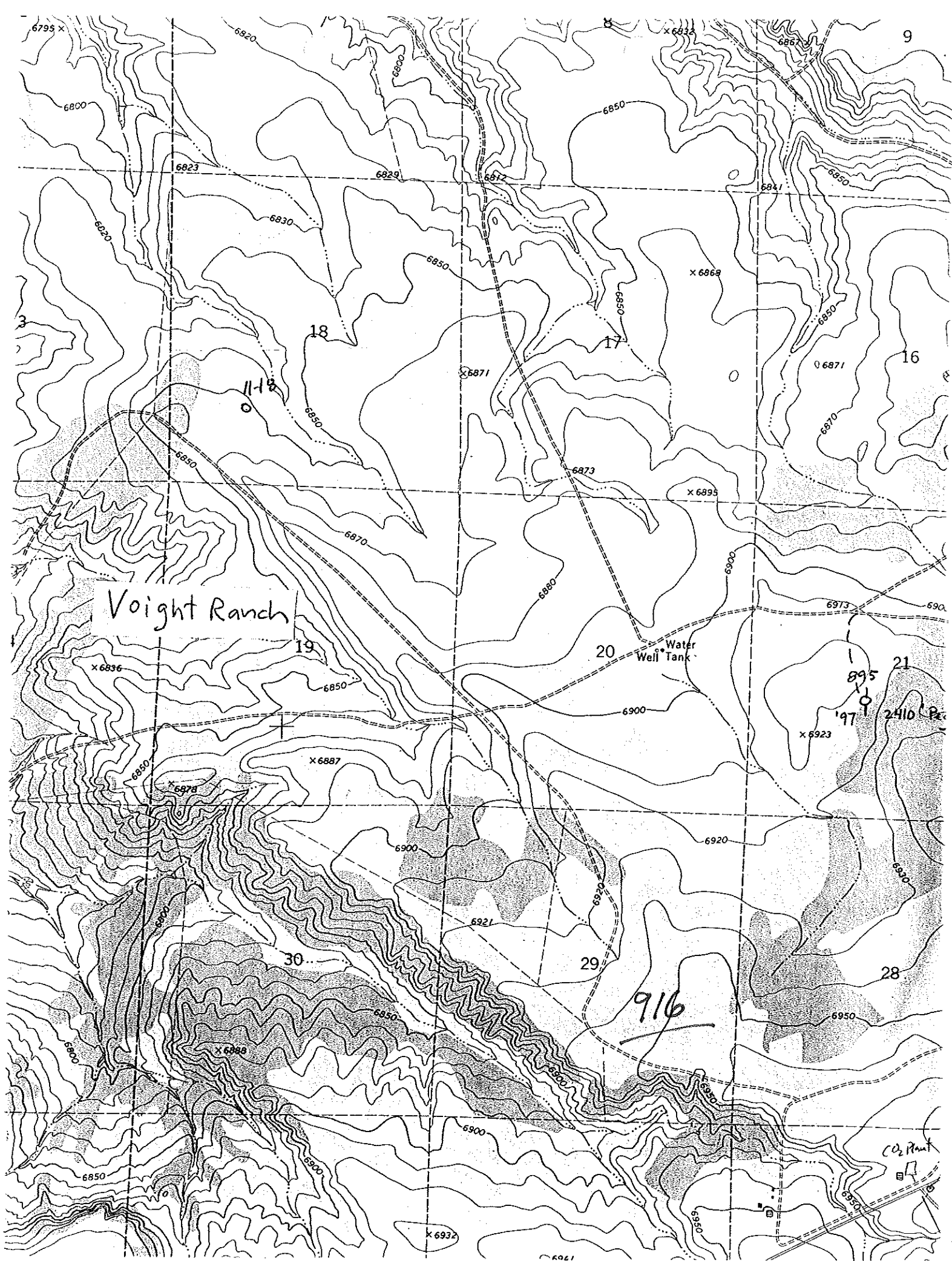


**Ridgeway Arizona Oil Corp  
St. Johns CO2 Field**

**Drilling Prognosis  
State 10-13, 11-18, & 11-33**

April 13, 2004

1. Secure permits from Arizona Land and Oil and Gas Commissions
2. Construct location with reserve pit patterned for fresh water surface drilling and foam drilling. Dig mouse and rat holes. Set and cement 40' of 16" conductor
3. Move in and rig up drilling contractor
4. Spud well with 12 1/4" hole utilizing fresh water spud mud
5. Drill 12 1/4" hole with fresh water mud to a total depth of 1300' +/-
6. Set 8 5/8", 24 #/ft, ST & C, 8Rd casing and cement to surface, WOC 12 hours
7. Nipple up BOP's with rotating head test to 1500 psi
8. Rig up air and foam units
9. Drill out of base of 8 5/8" casing with 7 7/8" bit utilizing foam
10. Drill to TD of 2600' +/- with rotating head, utilizing air/foam under balanced, water base to be 4% KCl (**no fresh water is to enter the wellbore below the 8 5/8" casing**)(**maintain pH at 7.0 or less**)
11. Well flow will be diverted to the reserve pit via the rotating head and blue line
12. In the Amos Wash load bottom of hole with 4% KCl, POOH with drill string and run DST in the Amos Wash
13. Pull out of hole with DST tools and run in hole with drill assembly, start up foam unit and unload KCl water from well bore
14. Continue to drill to TD with foam



**RECEIPT**Date April 16, 2004No. **3120**Received From Cambrian Management Ltd (Ridgeway)Address PO Box 272 Midland TX 79702Seventy five and <sup>no</sup>/<sub>100</sub> Dollars \$ 75.00For Filing fee for Permit Nos. 915, 916, & 917

ACCOUNT			HOW PAID		
AMT. OF ACCOUNT			CASH		
AMT. PAID			CHECK <del>\$250</del>	75	00
BALANCE DUE			MONEY ORDER		

By SL Rain

The Phoenix Plaza  
21st Floor  
2920 North Central Avenue  
Phoenix, Arizona 85012-2734

P.O. Box 36379  
Phoenix, Arizona 85067-6379

Telephone 602-640-9000  
Facsimile 602-640-9050



www.osbornmaledon.com

January 22, 2004

Thayne Lowe

Direct Phone 602.640.9391  
Direct Fax 602.640.6077

tglova@osmaw.com

VIA FACSIMILE 602.542.7798

Laurie A. Woodall  
Assistant Attorney General  
Office of the Attorney General  
1275 West Washington Street  
Phoenix, Arizona 85007-2926

Re: Ridgeway Arizona Oil Corporation

Dear Laurie:

I am writing to follow up on our telephone conversation of this afternoon.

This will confirm that notices and other correspondence that the Oil and Gas Conservation Commission or its representatives send to Ridgeway should be sent in care of:

Walter Ruck  
RIDGEWAY PETROLEUM  
1080, 700 - 4th Avenue S.W.  
Calgary, Alberta T2P 3J4  
Canada

This will also confirm that Alan Means will be available by telephone tomorrow (432 620 9181) and is Ridgeway's authorized representative for purposes of tomorrow's Oil and Gas Conservation Commission meeting. For your information, I understand that there have been or will be further communications this afternoon between Messrs. Means and Rauzi and that Mr. Means is in a position to offer further assurances regarding Ridgeway's commitments set forth in Steve Melzer's January 16, 2004 letter to Steve Rauzi.

Please call if you questions or concerns.

Cordially,

Thayne Lowe

TL:lpn

cc: Walter Ruck (via facsimile)  
Steve Melzer (via facsimile)

# ORGANIZATION REPORT

Full Name of the Company, Organization, or Individual

Ridgeway AZ Oil Corp./Subsidiary of Ridgeway Petroleum Corp.

Mailing Address and Phone Number

P O Box 1110 St. Johns, AZ 85936 928-337-3230

Plan of Organization (State whether organization is a corporation joint stock association, firm or partnership, or individual

Corporation

Purpose of Organization (State type of business in which engaged)

Oil & Gas Exploration and Production

If a reorganization, give name and address of previous organization

Newco

If a foreign corporation give (1) State where incorporated	(2) Name and mailing address of state agent	(3) Date of permit to do business in state
<u>Arizona &amp; New Mexico</u>	<u>CT Corporation 3225 N Central Ave Phoenix, AZ 85012</u>	<u>May 16, 1994</u>
Principal Officers or Partners (if partnership) NAME	TITLE	MAILING ADDRESS
<u>Barry D Lasker</u>	<u>President/CEO</u>	<u>3050 Post Oak Ste 1700 Houston, TX 77056</u>
<u>Christiane Koeksal</u>	<u>Secretary</u>	<u>1080 700 4th Ave SW Calgary Alberta CD T2P3J4</u>
<u>J. Bruce Petrie</u>	<u>CFO</u>	<u>1080 700 4th Ave SW Calgary Alberta CD T2P3J4</u>

DIRECTORS NAME

MAILING ADDRESS

<u>Barry D Lasker</u>	<u>3050 Post Oak Ste. 1700 Houston TX 77056</u>
<u>M. C. Vukets</u>	<u>116 Valcrest Dr. Etobicoke Ontario CD M9A45T</u>
<u>K. B. Sparks</u>	<u>23 Ashley Park RD Islington Ontario CD M9A45J</u>
<u>L. S. Melzer</u>	<u>4529 Corsair Court Midland, TX 79707</u>
<u>J. P. Dorrier</u>	<u>3050 Post Oak Ste. 1700 Houston, TX 77056</u>
<u>R. L. Eson</u>	<u>5013 Cedar Creek DR. Houtson, TX 77056</u>

CERTIFICATE I, the undersigned, under the penalty of perjury state that I am the Corporate Secretary of the Ridgeway Petroleum Corp. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

June 8, 2006

Date

RECEIVED

JUN 13 2006

Mail completed form to  
Oil and Gas Program Administrator  
Arizona Geological Survey  
416 W Congress., #100  
Tucson, AZ 85701

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION

Organization Report  
File One Copy

Form No. 1

# ORGANIZATION REPORT

Full Name of the Company, Organization, or Individual  
Ridgeway Arizona Oil Corporation

Mailing Address and Phone Number  
1080, 700 4th Ave. SW Calgary, Alberta, Canada T2P-3J4

Plan of Organization (State whether organization is a corporation joint stock association, firm or partnership, or individual)  
Corporation

Purpose of Organization (State type of business in which engaged)  
Oil and Gas Exploration and Production

If a reorganization, give name and address of previous organization  
Newco

If a foreign corporation give (1) State where incorporated	(2) Name and mailing address of state agent	(3) Date of permit to do business in state
<u>Arizona State Corp.</u>	<u>Carmen Tanner</u> <u>P.O. Box 1110</u> <u>St. Johns, AZ 85936</u>	<u>May 16, 1994</u>
Principal Officers or Partners (If partnership) NAME	TITLE	MAILING ADDRESS
<u>Walter B. Ruck</u>	<u>President</u>	<u>2604 Signal Ridgeview SW</u> <u>Calgary, Alberta T3H 3G1</u>
<u>Carmen Tanner</u>	<u>Secretary</u>	<u>P.O. Box 1110</u> <u>St. Johns, AZ 85936</u>

DIRECTORS NAME

MAILING ADDRESS

Walter B. Ruck

as above

Carmen Tanner

as above

CERTIFICATE I, the undersigned, under the penalty of perjury state that I am the agent of the Ridgeway Arizona Oil Corp. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

4/16/04

Date

Mail completed form to  
 Oil and Gas Program Administrator  
 Arizona Geological Survey  
 416 W Congress., #100  
 Tucson, AZ 85701

STATE OF ARIZONA  
 OIL & GAS CONSERVATION COMMISSION

Organization Report  
 File One Copy

Form No. 1



## BLANKET BOND COVER SHEET

### RIDGEWAY ARIZONA OIL CORPORATION

Operator	Bank	Account Number	Approval	Amount
Ridgeway Arizona Oil	Bank of the West	C.D. #631-852068	05/23/06	\$25,000
Ridgeway Arizona Oil	Bank One	C.D. #4002111	07/07/94	\$10,000
Ridgeway Arizona Oil	Bank One	C.D. #4002112	11/28/94	\$15,000
TOTAL				\$50,000

Ridgeway Arizona Oil Corporation has posted a \$50,000 blanket bond consisting of the three separate certificates of deposit listed above. The \$50,000 blanket bond covers up to 49 wells pursuant to A.A.C. R12-7-103.

The three separate certificates of deposit listed above represent a single \$50,000 blanket bond. They are not to be released individually until all wells drilled by Ridgeway Arizona Oil Corporation have been properly plugged and abandoned or otherwise released from Ridgeway's responsibility through either sale or transfer in accordance with the provisions of A.A.C. R12-7-103.

#### PERMITS COVERED BY THIS BLANKET BOND:

888 TA Feb 1997  
895 TA Mar 1997  
896 SI Mar 2004  
897 TA Mar 1997  
900 TA May 1997  
916 TA Oct 2004  
937 TA Mar 2007  
938 TA Feb 2007  
939 TA Apr 2007  
940 TA Apr 2007  
941 TA Apr 2007  
942 TA May 2007  
943 TA May 2007  
944 TA May 2007  
945 TA Feb 2007  
946 TA Mar 2007  
947 TA May 2007

Ms. Negley moved, seconded by Mr. Jones:

TO AUTHORIZE THE OIL AND GAS ADMINISTRATOR TO PROCEED WITH  
THE PROPOSED RULEMAKING

Motion carried unanimously.

Dr. Nations signed the agency certificate for submission of the proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register.

STATUS OF HIGH PLAINS PETROLEUM 1-17 SANTA FE (PERMIT 934) AND POSSIBLE  
DECISION CONCERNING TEMPORARY ABANDONMENT

Mr. Rauzi reported that High Plains submitted a written request to temporarily abandon its 1-17 Santa Fe for six months to evaluate several zones. He reported that High Plains had submitted evidence of well status and integrity and recommended approval of the request.

Mr. Jones moved, seconded by Mr. Wagner:

TO GRANT TEMPORARY ABANDONMENT FOR SIX MONTHS TO THE  
HIGH PLAINS 1-17 SANTA FE

Motion carried unanimously.

916

STATUS OF RIDGEWAY ARIZONA OIL CORPORATION WELLS 22-1X STATE (PERMIT  
888), 11-21 STATE (895), 10-22 STATE (896), 9-21 STATE (897), 12-15-30 STATE (900), AND 11-  
18 STATE (916), APACHE COUNTY, POSSIBLE DECISION CONCERNING TEMPORARY  
ABANDONMENT, AND POSSIBLE REPORT FROM A REPRESENTATIVE OF RIDGEWAY  
AND FOLLOW-UP DISCUSSION

Mr. Rauzi reported that Ridgeway submitted a written request to extend temporary abandonment through January 2008. He noted that 22-1X and 10-22 were not on leases subject to expiration and recommended extension of temporary abandonment.

Ms. Negley moved, seconded by Mr. Wagner:

TO EXTEND TEMPORARY ABANDONMENT TO WELLS 22-1X AND 10-22  
THROUGH JANUARY 2008

Motion carried unanimously.

Mr. Rauzi reported that Ridgeway did not regain the leases for the 11-21, 9-21, 12-15-30, and 11-18 in the Land Department's drawing on January 17, 2007. He reported that Ridgeway requested extension of the leases for the 11-21, 9-21, and 11-18 by paying shut-in royalty but not for the 12-15-30. As a result, Ridgeway had 180 days from January 17, 2007 to plug the 12-15-30 in accordance with the Commission's motion of January 13, 2006 if the new lessee had no interest in the well. Mr. Rauzi reported that the Land Department did not grant Ridgeway's request to extend the leases for the 11-21, 9-21, and 11-18 by paying shut-in royalty. As a result, Ridgeway had 180 days from January 17, 2007 to plug the 11-21, 9-21, and 11-18 in accordance with the Commission's motion of January 13, 2006 if the new

lessee had no interest in the well. Mr. Tom White reported that Ridgeway intended to appeal the Land Department's decision to the full extent of the law. Mr. Rauzi recommended extension of temporary abandonment if Ridgeway won the appeal or if it lost the appeal to plug the wells within 180 days of the date of the final appeal decision if the new lessee had no interest in the wells.

Ms. Negley moved, seconded by Mr. Jones:

916

TO EXTEND TEMPORARY ABANDONMENT OF THE 11-21, 9-21, AND 11-18 THROUGH JANUARY 2008 IF RIDGEWAY REGAINED THE LEASES BY SUCCESSFUL APPEAL, AND IF IT DID NOT, TO PLUG THE WELLS WITHIN 180 DAYS OF THE APPEAL DECISION IF THE NEW LESSEE HAD NO INTEREST IN THE WELLS

Motion carried unanimously.

STATUS OF RIDGEWAY ARIZONA OIL CORPORATION WELLS 11-29-30 STATE (PERMIT 938), 11-24-29 STATE (945), 11-32-30 STATE (946), AND 11-16-30 STATE (937), APACHE COUNTY, POSSIBLE DECISION CONCERNING TEMPORARY ABANDONMENT, AND POSSIBLE REPORT FROM A REPRESENTATIVE OF RIDGEWAY AND FOLLOW-UP. DISCUSSION

Mr. Rauzi reported that Ridgeway was actively drilling or testing the wells and that no decision regarding temporary abandonment was necessary until there was at least 60 days of inactivity at the wells. However, Mr. Tom White handed Mr. Rauzi a letter before the meeting requesting temporary abandonment for wells 11-29-30, 11-24-29, and 11-32-30. In light of Ridgeway's letter and Ridgeway's intention to drill all eleven of their permitted wells, Mr. Rauzi proposed that the Commission grant temporary abandonment to all eleven of the wells referenced in the agenda for his activity report. After some discussion, Ms. Negley so moved and Mr. Wagner seconded the proposal.

Dr. Nations acknowledged the motion and second and called for discussion and comment. Mr. Bill Rex, Hunt Oil USA, asked if it was appropriate for the Commission to issue a blanket approval of extension for wells that had not yet been drilled and for which there was no information yet available. After further discussion, Ms. Negley withdrew her motion and Mr. Wagner withdrew his second.

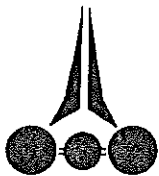
Mr. Wagner moved, seconded by Mr. Jones:

TO GRANT TEMPORARY ABANDONMENT THROUGH JANUARY 2008 TO WELLS 11-29-30, 11-24-29 AND 11-32-30

Motion carried unanimously.

CALL TO THE PUBLIC

Mr. Rauzi reported that Mr. Paul Buff informed him the Bureau of Land Management (BLM) planned to hold an oil and gas lease sale by summer. The BLM received expressions of interest for about 380,000 acres and was reviewing the acres to see if they were available for leasing or would require standard or special lease stipulations.



# Ridgeway

Arizona Oil Corporation

St. Johns Helium/CO<sub>2</sub> Project

March 8, 2007

State of Arizona  
Arizona Geological Survey  
416 West Congress  
Suite 100  
Tucson, AZ 85701

916

Attn: Mr. Steve Rauzi  
Oil & Gas Administrator

RE: Temporary Abandonment


Dear Mr. Rauzi:

At this time Ridgeway would like to request an extension of Temporary Abandonment on the following wells:

State 22-1X (permit 888)	State 11-21 (permit 895)	State 10-22 (permit 896)
State 9-21 (permit 897)	State <u>11-18 (permit 916)</u>	State 11-29-30(permit 938)
State 11-24-29 (permit 945)	State 11-32-30 (permit 946)	

If you have any questions, please feel free to contact this office at 888-337-7444.

Sincerely,

  
Thomas White  
Field Operations Manager

cc: Well Files

RECEIVED

MAR 09 2007

P.O. Box 1110  
St. Johns, AZ 85936

Tel: 928 337 3230  
Fax: 928 337 3162

STATE LAND DEPARTMENT OF THE STATE OF ARIZONA  
BEFORE THE STATE LAND COMMISSIONER

IN THE MATTER OF REQUEST FOR A.R.S. §  
27-555.01 EXTENSION FOR OIL AND GAS  
LEASES NO.'S. 13-101357 AND 13-101510 FOR  
THE STATE LANDS DESCRIBED IN  
EXHIBITS A AND B.

APPLICANT: RIDGEWAY AZ OIL CORP.

ORDER NO. 180-2006/2007

ORDER DENYING  
APPLICATION FOR  
A.R.S. § 27-555.01 LEASE  
EXTENSION AND ORDER  
AWARDING LEASES

The records of the Arizona State Land Department (the "Department") reflect:

1. On January 19, 1996, the Department issued to Ridgeway Arizona Oil Corporation ("Ridgeway") Oil and Gas Lease No. 13-101357, for a primary term of five years on land described in Exhibit A, attached. In 1997, Ridgeway drilled well No. 11-21-30 State and in 2004 Ridgeway drilled well No. 11-18-30 State on Oil & Gas Lease No. 13-101357.

2. On January 19, 1996, the Department issued to Ridgeway Oil and Gas Lease No. 13-101510 for a primary term of five years on lands described in Exhibit B, attached. In 1997, Ridgeway drilled well No. 09-21-31 State, on Oil & Gas Lease No. 13-101510.

3. The leases overlie potential resources of carbon dioxide and helium gas.

4. On January 17, 2006, Ridgeway exercised the option to extend Oil & Gas Lease No. 13-101357, as provided for by lease terms and by A.R.S. § 27-555(E)(1) by payment of double the rental.

5. On January 17, 2006, Ridgeway exercised the option to extend Oil & Gas Lease No. 13-101510, as provided for by lease terms and by A.R.S. § 27-555(E)(1) by payment of double the rental.

6. The wells on Oil & Gas Lease No. 13-101357 and the well on Oil & Gas Lease No. 13-101510 were designated as temporarily abandoned by the Oil and Gas Commission at Ridgeway's request on October 31, 1997. A temporarily abandoned well is defined by Oil and Gas Rules, A.A.C. R12-7-126, as a well that is not capable of producing in paying quantities, and is not presently being operated.

7. The Department acknowledged by letter dated December 17, 1997, that the temporary abandonment status of the wells did not jeopardize extension of the leases because among other reasons, "there has been no production from State land nor has there been demonstrated to the Department a discovery on State land."

8. On January 17, 2006, prior to the expiration date of the leases, Ridgeway requested that the Department grant an extension on Oil & Gas Lease No.'s 13-101357 and 13-101510 for lack of a pipeline to transport the gas. Section 27-555.01, A.R.S., governs the extension of a lease for lack of transportation.

4 9. On January 17, 2006, the anniversary date of the leases, Ridgeway filed new  
5 applications covering the acreage in Oil & Gas Lease No.'s 13-101357 and 13-101510,  
6 paying advance rental for the new applications that were in an amount that was equal to  
7 the first year's shut-in royalties. On the same day, a number of other applicants  
8 simultaneously filed new applications covering the acreage contained in Oil & Gas Lease  
9 No.'s 13-101357 and 13-101510, including Hunt Oil USA, Inc. ("Hunt Oil"), Application  
10 No. 13-110626 and Gary Kiehne, Application No. 13-110557.

11 10. Pursuant to statute and rule, the Department addressed the simultaneous  
12 filings of new applications by proceeding to a drawing, however the Department made the  
13 drawing of the lands covered by Oil & Gas Lease No.'s 13-101357 and 13-101510 subject  
14 to the Department's determination regarding the availability of A.R.S. § 27-555.01  
15 extension. The successful applicant for the lands in Oil & Gas Lease No. 13-101357 was  
16 Gary Kiehne and the successful applicant for the lands in Oil & Gas Lease No. 13-101510  
17 was Hunt Oil.

18 11. A.R.S. § 27-555.01 provides in pertinent part:

19 *"When the owner of an oil and gas lease issued pursuant to this*  
20 *chapter has discovered gas on the leased premises...while the*  
21 *lease is in full force and effect, but is unable to produce gas*  
22 *because of lack of transportation or processing facilities or a*  
23 *market for the gas, each lease on which there is a gas well...shall*  
24 *be extended beyond the primary term from year to year,... by*  
25 *payment of a shut-in gas royalty of one dollar per acre for the*  
26 *first year, two dollars per acre for the second year, three dollars*  
27 *per acre for the third, fourth and fifth years, payable in advance*  
28 *annually on the anniversary date of the lease. If the payment is*  
*made it will be deemed that gas is being procured and produced*  
*from the leased premises for such year."*

12 12. The Department construes the language of A.R.S. § 27-555.01 that the lessee  
13 "has discovered gas on the leased premises" to mean that there is a well "capable of  
14 producing in paying quantities."

15 13. On February 27, 2006, the Department requested that Ridgeway supply  
16 additional information to support its request for A.R.S. § 27-555.01 extension. On May  
17 18, 2006, the Department confirmed with Ridgeway that all pertinent well test data had  
18 been provided to the Department. The Department forwarded information including  
19 information provided by Ridgeway to the Department's consulting petroleum engineer,  
20 H.J. Gruy and Associates.

14. By letter dated July 14, 2006, the Department transmitted a H.J. Gruy and Associates Petroleum Engineering Report to Ridgeway that stated the data was not sufficient to determine if each well is currently capable of producing and recommended that a long term production flow test of not less than 72 hours be performed on each of the subject wells.

The Department has reviewed Ridgeway's request for A.R.S. § 27-555.01 extensions and finds as follows:

1. Ridgeway made timely application for A.R.S. § 27-555.01 extension, and the advance rental provided to the Department with Ridgeway's new applications for the same lands would be available to cover shut-in royalties should the Department determine that an A.R.S. § 27-555.01 extension was appropriate.

2. That A.R.S. § 27-555.01 allows a shut-in extension to be taken at the end of the extension of the lease by payment of double rental for wells drilled in the primary or double rental term if the circumstances otherwise meet the requisites of A.R.S. § 27-555.01, that the well is capable of producing in paying quantities and that there is a lack of processing or transportation facilities or market.

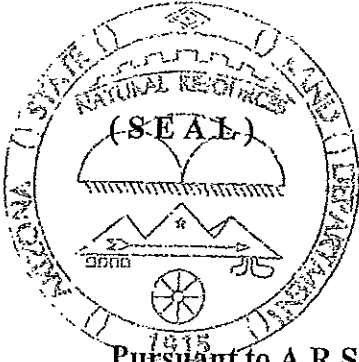
3. Ridgeway has failed to establish that it has "discovered gas on the leased premises" as required by A.R.S. § 27-555.01, because Ridgeway has not established that the wells on Lease No.'s 13-101357 and 13-101510 are capable of producing in paying quantities.

4. That Hunt Oil and Gary Kiehne, the successful applicants in the drawing for lands included in Oil & Gas Lease No.'s 13-101510 and 13-101357, be awarded the leases.

It is, therefore, determined that it is in the best interest of the Trust to deny Ridgeway's request for extension pursuant to A.R.S. § 27-555.01, and to grant Oil & Gas Lease No. 13-101510 to Hunt Oil and Oil & Gas Lease No. 13-101357 to Gary Kiehne.

IT IS ORDERED that Ridgeway Arizona Oil Corporation's Request for Extension for lands described in Exhibits A & B, pursuant to A.R.S. § 27-555.01, is hereby denied and that Oil & Gas leases will be issued to Hunt Oil USA, Inc. and Gary Kiehne.

4 GIVEN under my hand and the official seal of the Arizona State Land Department  
5 this 5th day of March, 2007.



MARK WINKLEMAN  
State Land Commissioner

by: Janis L. Hogan

10 Notice of Appealable Agency Action

11 Pursuant to A.R.S. § 41-1092.03, if a party is directly or adversely affected by this  
12 decision, the party may request a hearing within thirty (30) days of the date of receipt of  
13 this notice. A request for a hearing must be in writing and timely filed with the  
14 Department. The request must include the appellant's name, address, the specific action  
15 of the Department which is the basis of the hearing request and a concise statement of the  
16 reasons for the appeal. A.R.S. § 41-1092.06 provides an appellant the opportunity to  
17 request an informal settlement conference. The request must be in writing and filed with  
18 the Department no later than twenty (20) days before the hearing. The Department  
19 requests that the appellant's proposed settlement offer be included in the request.

20 An appeal and optional request for an informal settlement conference is to be sent  
21 to the Arizona State Land Department, Attention: Director, Land Information Title &  
22 Transfer Division. If a party does not timely file a request for a hearing, the decision of  
23 the Commissioner may be final and not subject to further review.

24 In accordance with Title II of the Americans with Disabilities Act (ADA), the  
25 Arizona State Land Department does not discriminate on the basis of disability in the  
26 provision of its programs, services and activities.

27 Persons with a disability may request a reasonable accommodation such as a sign  
28 language interpreter by contacting the Department's ADA Coordinator at (602) 542-2636.  
The request should be made as early as possible to allow time to arrange for the  
accommodation.

Copy of the foregoing mailed/  
delivered this 5th day of  
March, 2007 to:

Certified No. 91 7108 2133 3931 8305 9891

HUNT OIL USA INC  
1445 ROSS AT FIELD  
DALLAS TX 75202



Order No. 180-2006/2007  
Order for Denial of Application  
Page 5

Certified No. 91 7108 2133 3931 8305 9907

GARY L KIEHNE  
P O BOX 2039  
SPRINGERVILLE AZ 85938

Certified No. 91 7108 2133 3931 8305 9914

RIDGEWAY AZ OIL CORP  
P O BOX 1110  
ST JOHNS AZ 85936

Copy to: Attorney General's Office, Natural Resources Section/attn: Theresa Craig  
Natural Resources Division/Minerals Section/attn: Mike Rice  
Administrative Procedures Manager/attn: Roz Sedillo  
Admin. Docket No. 015-2005/2006  
File No. 13-101357  
File No. 13-101510  
File No. 13-110626  
File No. 13-110557

Lawn Dullman AD

1 Commissioner Order No. 180-2006/2007

2

3

EXHIBIT A

4

5

Oil & Gas Lease No. 13-101357

6

Legal Description:

7

TOWNSHIP 11 NORTH, RANGE 30 EAST:

8

9

SECTION 17

ALL

640.00 ACRES

SECTION 18

LOTS 1 THRU 4; E2W2; E2

633.62 ACRES

10

SECTION 20

E2; E2NW; W2NW

480.00 ACRES

11

SECTION 21

ALL

640.00 ACRES

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Commissioner Order No. 180-2006/2007

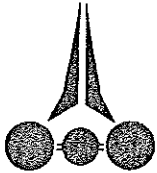
EXHIBIT B

Oil & Gas Lease No. 13-101510

Legal Description:

TOWNSHIP 9 NORTH, RANGE 31 EAST:

SECTION 15	W2; W2SE	400.00 ACRES
SECTION 16	ALL	640.00 ACRES
SECTION 21	ALL	640.00 ACRES
SECTION 22	LOTS 1 & 2; NW; W2NE; W2SW; NWSE; NESW	426.01 ACRES



**Ridgeway**

**Arizona Oil Corporation**

St. Johns Helium/CO<sub>2</sub> Project

January 23, 2007

State of Arizona  
Arizona Geological Survey  
416 West Congress  
Suite 100  
Tucson, AZ 85701

916

Attn: Mr. Steve Rauzi  
Oil & Gas Administrator

RE: Temporary Abandonment

RECEIVED  
JAN 24 2007

Dear Mr. Rauzi:

At this time Ridgeway would like to request an extension of Temporary Abandonment on the following wells:

State 22-1X (permit 888)	State 11-21 (permit 895)	State 10-22 (permit 896)
State 9-21 (permit 897)	State 12-15 (permit 900)	State 11-18 (permit 916)

If you have any questions, please feel free to contact this office at 888-337-7444.

Sincerely,

Thomas White  
Field Operations Manager

cc: Well Files

STATE LAND DEPARTMENT OF THE STATE OF ARIZONA  
BEFORE THE STATE LAND COMMISSIONER

IN THE MATTER OF SIMULTANEOUS  
FILINGS OF NONCOMPETITIVE OIL AND  
GAS LEASE APPLICATIONS FOR STATE  
TRUST LANDS DESCRIBED IN  
ATTACHMENT C.

ORDER NO. 150-2006/2007

NOTICE OF DRAWING  
AND  
ORDER DETERMINING  
VALID FILING

APPLICANTS: SEE ATTACHMENT B

ADMIN. DOCKET  
NO. 015-2005/2006

Pursuant to A.R.S. § 27-255(J), the Arizona State Land Department (the "Department") received on January 18, 2006, 84 applications, on January 19, 2006, 124 applications and on January 25, 2006, 124 applications for oil and gas leases listed in Attachment A. All applications were reviewed and it has been determined that the applications listed in Attachment B will be considered in the drawing. Parcels available for drawing are listed in Attachment C.

Ridgeway Arizona Oil Corporation, Lessee under Oil & Gas Lease No.'s 13-101357 and 13-101510, requested extension of the leases by payment of shut-in royalties pursuant to A.R.S. § 27-255.01. In the absence of extension, the leases expire and are open to new application. The Department has not yet determined whether to grant the extension requests. The parcels included in the leases for which extension was requested are also included in new lease applications listed in Attachment D. The drawing will include the applications in Attachment D, however to the extent that an application is drawn that includes the acreage for which lease extension has been requested, the drawing of that application will be subject to the determination of the extension request, in such manner that the drawing as applied to the acreage covered by the request for extension shall only be effective if it is finally determined that the request for extension is denied.

ORDER

Notice is hereby given that the Department shall conduct a drawing between the qualified applicants (in Attachment B) to determine which applicant(s) are entitled to lease the lands. The drawing will be held at the State Land Department:

DATE: Wednesday, January 17, 2007  
TIME: 10:00 a.m.  
LOCATION: 1616 W. Adams, Phoenix, Room 321

If the drawing does not conclude on Wednesday, January 17, 2007, the drawing will be continued until Thursday, January 18, 2007.

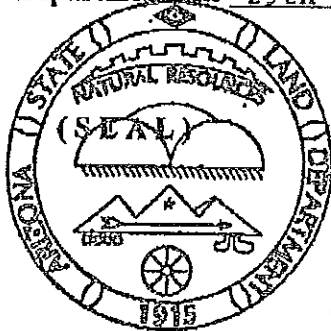
Arizona  
State Land Department  
1616 WEST ADAMS  
PHOENIX, ARIZONA 85007

916

1 Commissioner Order No. 150-2006/2007  
2 Notice of Drawing & Determining Valid Filing  
3 Page 2

4 The drawing will be held as follows: The drawing will be held on an application  
5 basis, with each application identified on a card or other identifier and placed in a  
6 tumbler. The application drawn is awarded the lease for the acreage included, except  
7 for lands already awarded in previously drawn applications and except for those  
special circumstances noted above relating to Ridgeway Arizona Oil Corporation's  
extension request.

8 GIVEN under my hand and the official seal of the Arizona State Land  
9 Department this 29th day of December, 2006.



MARK WINKLEMAN  
State Land Commissioner

by: *Richard Blaylock*

15 Notice of Appealable Agency Action

16 This is an appealable agency action. Pursuant to A.R.S. § 41-1092.03, if you are  
17 directly or adversely affected by this decision, the party may request a hearing within  
18 thirty (30) days of the date the notice is received. A request for a hearing must be in  
19 writing and filed with the Department, and must state the appellant's name and  
20 address, the specific action or actions of the Department which are the basis of the  
hearing request, and a concise statement of the reasons for this appeal. The appellant  
also has the right to an informal settlement conference pursuant to A.R.S. § 41-  
1092.06, if it is requested in writing and filed with the Department no later than twenty  
(20) days before the hearing.

21 The request must be sent to the State Land Department, Attention: Director,  
22 Land Information Title & Transfer Division. If the request for a hearing is not timely  
filed, the decision of the Commissioner may be final and not subject to further review.

23 In accordance with Title II of the Americans with Disabilities Act (ADA), the  
24 Arizona State Land Department does not discriminate on the basis of disability in the  
provision of its programs, services and activities.

25 Persons with a disability may request a reasonable accommodation such as a  
26 sign language interpreter by contacting the Department's ADA Coordinator at (602)  
27 542-2636. Request should be made as early as possible to allow time to arrange the  
28 accommodation.

1 Commissioner Order No. 150-2006/2007  
2 Notice of Drawing & Determining Valid Filing  
3 Page 3

4 Copy of the foregoing mailed/  
5 delivered this 29th day of  
6 December, 2006 to:

6 Certified No. 91 7108 2133 3931 8305 9624

FRED M ALLISON III  
P O BOX 1821  
MIDLAND TX 79702

8 Certified No. 91 7108 2133 3931 8305 9563

9 FLYNT CHANCELLOR  
P O BOX 1821  
10 MIDLAND TX 79702

11 Certified No. 91 7108 2133 3931 8305 9587

LISA CURRY GRAY  
126 E DEVARGAS STREET  
12 SANTA FE NM 87501

13 Certified No. 91 7108 2133 3931 8305 9617

HUNT OIL USA INC  
1445 ROSS AT FIELD  
14 DALLAS TX 75202

15 Certified No. 91 7108 2133 3931 8305 9556

GARY L KIEHNE  
16 P O BOX 2039  
17 SPRINGVILLE AZ 85938

18 Certified No. 91 7108 2133 3931 8305 9594

RIDGEWAY AZ OIL CORP  
P O BOX 1110  
19 ST JOHNS AZ 85936

20 Certified No. 91 7108 2133 3931 8305 9549

JAMES L SCHULTZ  
100 N PENNSYLVANIA  
21 ROSWELL NM 88203

22 Certified No. 91 7108 2133 3931 8305 9570

DAN W SNOW  
818 E BROADWAY  
23 ANDREW TX 79714

24  
25 Copy to: Attorney General's Office, Natural Resources Section/attn: Theresa Craig  
26 Natural Resources Division/Minerals Section/attn: Mike Rice  
27 Administrative Procedures Manager/attn: Roz Sedillo  
28 Admin. Docket No. 015-2005/2006

*Lorraine Duman*

Attachment A

Oil & Gas Simultaneous Filings  
Complete Application List

APPLICANT	APPLICATION NO.'S
Fred M. Allison III	13-110724 - 13-110729
Flynt Chancellor	13-110453 - 13-110458, 13-110564 - 13-110575
Lisa Curry Gray	13-110435 - 13-110440, 13-110521 - 13-110532, 13-110718 - 13-110723
Hunt Oil USA, Inc.	13-110656 - 13-110667, 13-110499 - 13-110508, 13-110613 - 13-110628
J Bar Cane, Inc.	13-110489 - 13-110496, 13-110497 - 13-110498, 13-110602 - 13-110612, 13-110741 - 13-110751
Gary L. Kiehne	13-110447 - 13-110452, 13-110552 - 13-110563, 13-110769 - 13-110774
Robert A. Padilla	13-110479 - 13-110488, 13-110591 - 13-110601, 13-110752 - 13-110762
Phoenix Energy, Inc.	13-110459 - 13-110468, 13-110544 - 13-110550, 13-110576 - 13-110579, 13-110685 - 13-110695
John Michael Richardson	13-110730 - 13-110740
Ridgeway AZ Oil Corp.	13-110469 - 13-110478, 13-110580 - 13-110582, 13-110707 - 13-110712, 13-110583 - 13-110590, 13-110713 - 13-110717
James L. Schultz	13-110651 - 13-110655, 13-110510 - 13-110516, 13-110518 - 13-110520, 13-110629 - 13-110644, 13-110668 - 13-110673
Dan W. Snow	13-110441 - 13-110446, 13-110533 - 13-110543, 13-110551, 13-110763 - 13-110768
Carmen Tanner	13-110696 - 13-110706
Thomas White	13-110674 - 13-110684



Commissioner Order No. 150-2006/2007

## Attachment B

Oil & Gas Simultaneous Filings  
Application Drawing List

January 18, 2006 DAY 1

APPLICANT		APPLICATION NO.'S
Flynt Chancellor	13-110453 -	13-110458
Lisa Curry Gray	13-110435 -	13-110440
Hunt Oil USA, Inc.	13-110499 -	13-110508
Gary L. Kiehne	13-110447 -	13-110452
Ridgeway AZ Oil Corp.	13-110469 -	13-110478
James L. Schultz	13-110510, 13-110513, 13-110516, 13-110518 -	13-110520
Dan W. Snow	13-110441 -	13-110443, 13-110445 - 13-110446

January 19, 2006 DAY 2

APPLICANT		APPLICATION NO.'S
Flynt Chancellor	13-110564	13-110573, 13-110575
Lisa Curry Gray	13-110521, 13-110523 -	13-110532
Hunt Oil USA, Inc.	13-110613 -	13-110628
Gary L. Kiehne	13-110553 -	13-110563
Ridgeway AZ Oil Corp.	13-110580 -	13-110582, 13-110584, 13-110586 - 13-110590
James L. Schultz	13-110629 -	13-110644
Dan W. Snow	13-110533 -	13-110543

January 25, 2006 DAY 3

APPLICANT		APPLICATION NO.'S
Fred M. Allison III	13-110724 -	13-110729
Lisa Curry Gray	13-110718 -	13-110723
Hunt Oil USA, Inc.	13-110656 -	13-110667
Gary L. Kiehne	13-110769 -	13-110774
Ridgeway AZ Oil Corp.	13-110707 -	13-110717
James L. Schultz	13-110651 -	13-110655
	13-110668 -	13-110669; 13-110671 - 13-110673
Dan W. Snow	13-110763 -	13-110768

**Attachment C**

Arizona State Land Department  
Oil & Gas Simultaneous Filings

***Summary of Available Parcels***

Date	Parcels	Acres
Day 1 (Jan.18, 2006)	36	20,771.04
Day 2 (Jan.19, 2006)	45	19,796.15
Day 3 (Jan.25, 2006)	39	21,598.32
	120	62,165.51

Commissioner (er No. 150-2006/2007  
Attachment C (Day 1)

Oil & Gas Simultaneous Filings Available Parcels Day 1 (Jan. 18, 2006)			
Ctn	TR#	LEGAL DESC.	ACRES
1	09N-30E-03	LOTS 1 THRU 4;S2N2;S2	648.32
2	09N-30E-04	LOTS 1 THRU 4;S2N2;S2	646.83
3	09N-30E-09	ALL	640.00
4	09N-30E-10	ALL	640.00
5	09N-30E-13	N2;N2SE;N2SW;SESW;S2SE	600.00
6	09N-30E-22	ALL	640.00
7	09N-30E-23	ALL	640.00
8	09N-30E-24	W2;SE	480.00
9	09N-30E-25	E2; W2	640.00
10	09N-30E-36	ALL	640.00
11	09N-31E-03	LOT 4;SWNW;SW;W2SE	320.60
12	09N-31E-04	LOTS 1 THRU 4;S2N2;S2	641.00
13	09N-31E-05	LOTS 1 THRU 4;S2N2;S2	637.18
14	09N-31E-06	LOTS 1 THRU 7;S2N2;SESW;E2SW;SE	640.35
15	09N-31E-07	LOTS 1 THRU 4;E2W2; E2	644.06
16	09N-31E-08	ALL	640.00
17	09N-31E-09	ALL	640.00
18	09N-31E-10	W2W2	160.00
19	09N-31E-17	ALL	640.00
20	09N-31E-18	LOTS 1 THRU 4;NE;E2NW;N2SW;N2SE;SESW;S2SE	642.18
21	09N-31E-19	LOTS 1 THRU 4;E2W2;E2	641.44
22	09N-31E-20	ALL	640.00
23	09N-31E-29	ALL	640.00
24	09N-31E-30	LOTS 1 THRU 4;E2W2;E2	640.00
25	09N-31E-32	ALL	640.00
26	09N-31E-33	ALL	640.00
27	11N-29E-07	LOTS 1 THRU 4;E2W2;E2	673.28
28	11N-29E-08	ALL	640.00
29	11N-29E-09	NENE;S2NE;W2;SE	600.00
30	11N-29E-13	N2	320.00
31	11N-29E-15	ALL	640.00
32	11N-29E-16	ALL	640.00
33	11N-29E-17	ALL	640.00
34	12N-30E-19	LOT 1;N2NE;NENW	155.80
35	12N-30E-20	N2N2	160.00
36	12N-30E-33	ALL	640.00
Total Acres			20,771.04

Oil & Gas Simultaneous Filings Available Parcels Day 2 (Jan.19, 2006)			
Ctn	TRS	LEGAL DESC.	ACRES
1	09N-30E-14	N2;SESE;S2SW;SWSE	480.00
2	09N-30E-15	N2;SESE	360.00
3	09N-30E-26	N2;SW	480.00
4	09N-31E-15	W2;W2SE	400.00
5	09N-31E-16	ALL	640.00
6	09N-31E-21	ALL	640.00
7	09N-31E-22	NESW; LOTS 1, 2; NW; W2NE; W2SW; NWSE	426.01
8	09N-31E-27	SWSW	40.00
9	09N-31E-28	W2E2;W2	480.00
10	09N-31E-31	LOTS 1,2;E2NW;NE;NESW;N2SE	439.57
11	09N-31E-34	LOTS 2,3,4;W2SE;SWNE;W2	476.84
12	10N-29E-01	LOTS 1 THRU 4;S2N2;S2	641.92
13	10N-29E-02	LOTS 1 THRU 4;S2N2;S2	640.32
14	10N-29E-12	N2	320.00
15	10N-30E-01	LOTS 1 THRU 4;S2N2;S2	642.46
16	10N-30E-02	LOTS 1 THRU 4;S2N2;S2	646.72
17	10N-30E-04	LOTS 1 THRU 4;S2NE;S2NW	328.60
18	10N-30E-10	ALL	640.00
19	10N-30E-12	ALL	640.00
20	10N-30E-13	ALL	640.00
21	10N-30E-15	NE	160.00
22	10N-30E-20	N2NW;SWNW;SW	280.00
23	10N-30E-24	ALL	640.00
24	10N-30E-34	SWNE;NWSE;S2SE	160.00
25	10N-30E-35	NESE;S2S2	200.00
26	10N-30E-36	ALL	640.00
27	11N-29E-12	E2	320.00
28	11N-29E-21	E2NE;W2E2;W2	560.00
29	11N-29E-22	N2;E2SW;SWSW;SE	600.00
30	11N-29E-23	E2;NW;E2SW;SWSW	600.00
31	11N-29E-24	SW	160.00
32	11N-29E-25	E2E2;SW	320.00
33	11N-29E-26	N2;N2S2;M&B IN S2S2	577.62
34	11N-29E-27	N2;SE	480.00
35	11N-29E-35	M&B IN NE	110.56
36	11N-29E-36	N2	320.00
37	11N-30E-17	ALL	640.00
38	11N-30E-18	LOTS 1 THRU 4;E2W2;E2	633.62
39	11N-30E-20	W2NW;E2;E2NW	480.00
40	11N-30E-21	ALL	640.00
41	11N-30E-28	NW2N2	160.00
42	11N-30E-30	E2SW;SE;LOTS 3,4	315.96
43	11N-30E-31	LOTS 1,2;NE;E2NW	315.95
44	11N-30E-32	NW	160.00
45	11N-30E-33	S2	320.00
Total Acres			19,796.15

Commissioner Order No. 150-2006/2007  
Attachment C, Day 3

Oil & Gas Simultaneous Filings Available Parcels Day 3 (Jan. 25, 2006)			
Ctn	TRS	LEGAL DESC.	ACRES
1	10N-31E-03	LOTS 3,4;SWNW;W2SW	199.76
2	10N-31E-04	LOTS 1 THRU 4;S2N2;S2	639.10
3	10N-31E-05	LOTS 1 THRU 4;S2N2;S2	640.00
4	10N-31E-06	LOTS 5,6,7;S2NE;SE;SENW;E2SW	476.88
5	10N-31E-07	LOTS 1 THRU 4;E2W2;E2	633.60
6	10N-31E-08	ALL	640.00
7	10N-31E-09	ALL	640.00
8	10N-31E-10	W2W2	160.00
9	10N-31E-15	LOTS 1 THRU 4;W2;W2E2	516.96
10	10N-31E-16	ALL	640.00
11	10N-31E-17	ALL	640.00
12	10N-31E-18	LOTS 1 THRU 4;E2W2;E2	634.30
13	10N-31E-19	LOTS 1 THRU 4;E2W2;E2	635.36
14	10N-31E-20	ALL	640.00
15	10N-31E-21	ALL	640.00
16	10N-31E-22	LOTS 1 THRU 4;W2E2;NENW;W2NW;SW;SENW	518.20
17	10N-31E-27	LOTS 1 THRU 4; E2W2;E2	522.08
18	10N-31E-28	ALL	640.00
19	10N-31E-29	ALL	640.00
20	10N-31E-30	LOTS 1 THRU 4;E2W2;E2	636.22
21	10N-31E-31	LOTS 1 THRU 4;E2W2;E2	638.30
22	10N-31E-32	ALL	640.00
23	10N-31E-33	ALL	640.00
24	10N-31E-34	LOTS 1 THRU 4;E2W2;E2	526.10
25	11N-29E-14	ALL	640.00
26	11N-30E-02	LOTS 1 THRU 4;S2N2;S2	633.44
27	11N-30E-15	S2	320.00
28	11N-30E-22	ALL	640.00
29	11N-30E-23	ALL	640.00
30	11N-30E-26	SE	160.00
31	11N-30E-36	ALL	640.00
32	12N-30E-08	N2	320.00
33	12N-30E-09	W2	320.00
34	12N-30E-15	ALL	640.00
35	12N-30E-16	ALL	640.00
36	12N-30E-17	S2N2;S2	480.00
37	12N-30E-18	LOTS 2,3,4;SENW;E2SW;S2NE;SE	468.02
38	12N-30E-22	ALL	640.00
39	12N-30E-36	ALL	640.00
Total Acres			21,598.32

Attachment D

Ridgeway Arizona Oil Corporation  
Shut-In Extension Request  
Parcel List

January 19, 2006 (Day 2)

Parcel	Acres
T09N-R31E-15	400.00
T09N-R31E-16	640.00
T09N-R31E-21	640.00
T09N-R31E-22	426.01
T11N-R30E-17	640.00
T11N-R30E-18	633.62
T11N-R30E-20	480.00
T11N-R30E-21	640.00

**Subject:** Re: Ridgeway State 11-18; wireline logs  
**From:** Steve Rauzi <steve.rauzi@azgs.az.gov>  
**Date:** Mon, 01 May 2006 10:29:48 -0700  
**To:** Richard Ahern <RAhern@land.az.gov>

Thanks Richard, We do not have the:  
State 11-21  
11/18/98 Synergetic Log - CO2 Production Advisor  
State 11-18  
06/03/04 Compensated Neutron Log  
06/03/04 Acoustic Cement Bond Log

Richard Ahern wrote:  
Steve

Tom gave me copies of the following logs after the OGCC meeting last Friday. If you do not have copies of any of these, please let me know and I see to it that you get them.

State 11-21  
11/18/98 Synergetic Log- Co2 Production Advisor

State 11-18  
05/12/04 Microlog (Gamma, Caliper, Lateral & Tension  
05/12/04 Spectral Density (Gamma, Caliper, Bulk Density, Tension)  
06/03/04 Compensated Neutron Log (Gamma, CCL, neutron  
06/03/04 Acoustic Cement Bond Log (Gamma, CCL, Acoustic - variable density

**FAX**Date: 3-9-06Number of pages including cover sheet: 35To: Mike Rice

Phone: ( )

Fax phone: (602) 542-3507

CC:

From: Steve RauziArizona Geological Survey416 W. Congress, Suite 100Tucson, AZ 85701Phone: (520) 770-3500Fax phone: (520) 770-3505

## REMARKS:

☐ Urgent☒ For your review☐ Reply ASAP☐ Please comment

11-18 5-13-04 to 7-10-04  
7-31-04 to 2-1-05

Hard copies in Mail





# Ridgeway

**Arizona Oil Corporation**

St. Johns Helium/CO<sub>2</sub> Project

March 1, 2006

Arizona State Land Department  
1616 West Adams  
Phoenix, AZ 85007

Attn: Mr. Michael Rice  
Minerals Manager

RE: Application to pay Shut-In Royalties on lease 13-101357 and lease 13-101510

Dear Mike:

By letter dated January 17, 2006 Ridgeway AZ Oil Corp requested an extension to leases 13-101357 and 13-101510. Each lease contains wells which Ridgeway has previously drilled and completed and has previously tested commercial quantities of Carbon Dioxide and Helium gases. We currently have these wells shut-in waiting on additional processing facilities and a pipeline to transport the processed gas to market.

On February 27<sup>th</sup>, 2006 Mr. Tom White at our St. Johns field office received a phone call from Mr. Richard Ahern from your office requesting additional information regarding the commercial deliverability of these wells. To answer Mr. Ahern's inquiry I have reviewed the data supplied by our independent engineers and geologists and have summarized the results of each well in question. If you require any further information please do not hesitate to call me on 713 626 9564 or on my mobile 713 703 7217.

**Oil & Gas Lease 13-101357 (Ridgeway wells 11-21 and 11-18)**

**Well # 11-21**

The well 11-21 was drilled in February, 1997 and reached a total depth of 2,385ft. Production casing was set at 2,383 ft and the well was perforated in the Basal Granite Wash Formation over the interval 2,268ft to 2,396ft. In early September, 1997 the well was flow tested for several days at rates as high as 2,000 mcf per day with a bottom hole pressure of 589 lbs. Following the successful flow test a 5 day bottom hole pressure test was conducted by Schlumberger Engineering over the period 09-12-97 to 09-17-97. The pressure build up test has indicated good permeability to gas with infinite radial drainage. Schlumberger has calculated 160ft of net pay over the test interval with an average permeability to gas of 42 millidarcies. Schlumberger has also calculated that the flow rates achieved from this zone can be considerably improved by removing the skin damage that was seen on test. Cobb Engineering of Dallas, Texas and has also reviewed the log, test and pressure data and has assigned 224ft of net productive pay to this zone

P.O. Box 1110  
St. Johns, AZ 86936

Tel: 928 337 3230  
Fax: 928 337 3162

05 MAR 6 1422 AZ Land Dept.

916

alone. Cobb has also assigned an additional 137ft of net productive pay to this well from the Fort Apache and Amos Wash zones combined.

The 11-21 well contains significant vertical pay and can be expected, that once in production, the well will flow at rates of approximately 2,000 mcf/day to 3,000 mcf/day. The well 11-21 is currently shut-in waiting on additional processing facilities and a pipeline to transport the gas to market.

**Well # 11-18**

The well 11-18 was drilled in May 2004 and reached a total depth of 2,535ft. The well was originally targeted as a step out to the previously productive 11-21 well. Production casing for the 11-18 well was set at 2,535 ft and the well was perforated in the Basal Granite Wash Formation over the interval 2,210ft to 2,305ft. Following the perforating of this zone the well exhibited a bottom hole pressure of 650 lbs, indicating excellent reservoir potential, however a fracture stimulation performed on the well allowed a shallower water zone to communicate with the gas pay zone. The well has since been set up as an Amos Wash completion and is expected to produce at similar rates to other Amos Wash wells.

Cobb Engineering of Dallas, Texas and has also reviewed the log and test data and has assigned 70ft of net productive pay to the Granite Wash zone alone. Cobb has also assigned an additional 230ft of net productive pay to this well from the Fort Apache and Amos Wash zones. The 11-18 well contains significant vertical pay and can be expected, that once in production, the well will flow at rates of approximately 1,000 mcf/day to 3,000 mcf/day. The well 11-18 is currently shut-in waiting on additional processing facilities and a pipeline to transport the gas to market.

**Oil & Gas Lease 13-101510 (Ridgeway well 9-21)**

**Well # 9-21**

The well 9-21 was drilled in March 1997 and reached a total depth of 2,686 ft. Production casing was set at 2,683 ft and the well was perforated in the Basal Granite Wash Formation over the interval 2,489ft to 2,659ft. The well was flow tested over an eleven day period from June 30, 1997 to July 10, 1997 for a rate of 1,100 mcf per day with a bottom hole pressure of 670 lbs. Following the successful flow test a 5 day bottom hole pressure test was conducted by Schlumberger Engineering over the period 07-11-97 to 07-16-97. The pressure build up test has indicated good permeability to gas with no sealing boundaries detected within a radius of investigation of 1,250ft. Schlumberger has calculated 115ft of net pay over the test interval with an average permeability to gas of 37 millidarcies. Schlumberger has also calculated that the flow rates achieved from this zone can be considerably improved by removing the skin damage that was seen on test. Cobb Engineering of Dallas, Texas and has also reviewed the log, test and pressure data and has assigned 99ft of net productive pay to this zone alone. Cobb has also assigned an additional 140ft of net productive pay to this well from the Fort Apache and Amos Wash zones combined.

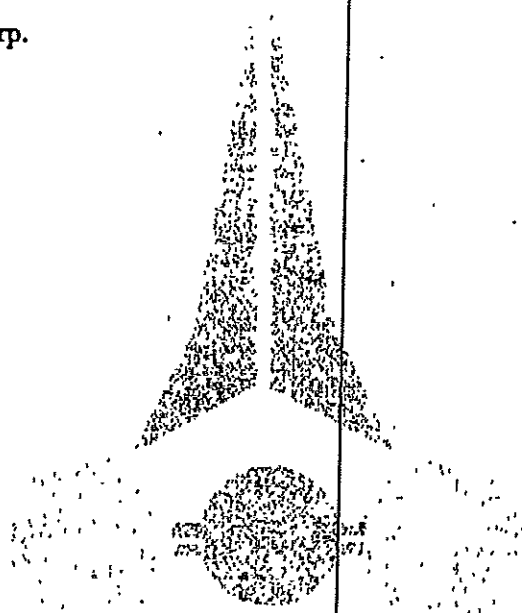
The 9-21 well contains significant vertical pay and can be expected, that once in production, the well will flow at rates of approximately 1,000 mcf/day to 2,000 mcf/day. The well 9-21 is currently shut-in waiting on additional processing facilities and a pipeline to transport the gas to market.

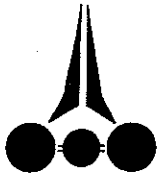
Once again, please contact me at your earliest convenience if you require further information.

Sincerely

A handwritten signature in dark ink, appearing to read "Barry Lasker", followed by the word "for" in a cursive script.

Barry Lasker  
President  
Ridgeway Petroleum Corp.





# Ridgeway

Arizona Oil Corporation

St. Johns Helium/CO<sub>2</sub> Project

January 3, 2006

RECEIVED

JAN 05 2006

Arizona Geological Survey  
416 West Congress  
Suite 100  
Tucson, AZ 85936

Attn: Mr. Steven Rauzi  
Oil & Gas Program Administrator

RE: Extension for Temporary Abandonment

Dear Mr. Rauszi:

At this time Ridgeway would like to request an extension of Temporary Abandonment on the following wells:

State 22-1X (permit 888)

State 11-21 (permit 895)

State 10-22 (permit 896)

State 9-21 (permit 897)

State 12-15 (permit 900)

State 11-18 (permit 916)

We ask that the Temporary Abandonment status be granted through January 2007. If you have any questions regarding this matter, please feel free to contact me at 888-337-7444.

Sincerely,

Thomas White  
Field Operations Supervisor

TW:ct

cc: Well Files

P.O. Box 1110  
St. Johns, AZ 85936

Tel: 928 337 3230  
Fax: 928 337 3162



# Cambrian

MANAGEMENT, LTD.

P.O.Box 272  
Midland, Texas 79702  
Ofc: 432-620-9181  
Fax: 432-570-0102

State of Arizona  
Arizona Geological Survey  
416 W. Congress  
Suite 100  
Tucson, Arizona 85701  
Attn: Mr. Steve Rauzi

916

March 22, 2005

Re: Resignation of Cambrian Management, Ltd as  
Agent for Ridgeway Arizona Oil Corporation

Mr. Rauzi,

Cambrian Management, Ltd has submitted its resignation as agent for Ridgeway Arizona Oil Corp to Ridgeway Petroleum Corp. effective immediately. Cambrian will complete any outstanding paper work to the State of Arizona on the St. Johns Project. We look forward to working with you on future projects in the State of Arizona.

If you have any questions or require additional information, please feel free to call me at (432)620-9181.

Sincerely,

Alan D. Means, PE  
Engineer/Owner(L.P.)  
❖ Cambrian MANAGEMENT, LTD.



**Ridgeway**  
Arizona Oil Corp.

916

January 31, 2005

Arizona Oil and Gas Conservation Commission  
Attn: Steven L. Rauzi  
416 W. Congress St., Suite 100  
Tucson, Arizona 85701

Mr. Rauzi:

As per our presentation last week at your quarterly meeting of the AOGCC, Ridgeway Arizona Oil Corporation is requesting that our AZ STATE 11-18 well (1320' FNL & 1320' FSL, Sec 18, T 11N, R 30E), drilled and completed last year, be placed in a temporary abandoned status. At a minimum, we plan to stimulate the Amos Wash interval this year and establish production from that interval. We would request that the time frame for the TA status be granted at 12 months.

Sincerely,

L. Stephen Melzer  
Director

Cc: W. Ruck, RGW  
C. Tanner, RAOC  
A. Means, Cambrian Resources



**Ridgeway**  
**Petroleum Corp.**

P.O. Box 1110  
St. Johns, AZ 85936

January 31, 2005

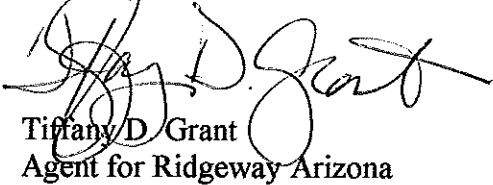
Arizona Oil and Gas Conservation Commission  
Attn: Steven L. Rauzi  
416 W. Congress St., Suite 100,  
Tucson, Arizona 85701

916

Mr. Rauzi:

As per our presentation last week at your quarterly meeting of the AOGCC, Ridgeway Arizona Oil Corporation is requesting that our AZ STATE 11-18 well (1320' FNL & 1320' FSL, Sec 18, T 11N, R 30E), drilled and completed last year be placed in a temporary abandoned status. At a minimum, we plan to stimulate the Amos Wash interval later this year and establish production from that interval. We would request that the time frame for the TA status be 12 months.

Sincerely,

  
Tiffany D. Grant  
Agent for Ridgeway Arizona



**Cambrian**  
MANAGEMENT, LTD.

P.O.Box 272  
Midland, Texas 79702  
Ofc: 432-620-9181  
Fax: 432-570-0102

October 21, 2004

Arizona Geological Survey  
416 W. Congress  
Suite 100  
Tucson, Arizona 85701  
Attn: Mr. Steve Rauzi

916

Re: Sundry Notices  
AZ #11-18

Dear Mr. Rauzi:

Please find attached Sundry Notices for the Ridgeway AZ #11-18:

Swab - 07/31/04 - 08/20/04

Weekly Progress: 09/13/04-09/28/04

Weekly Progress: 10/05/04-10/15/04

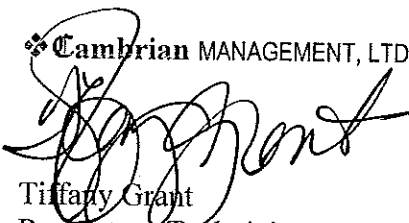
Weekly Progress: 10/18/04-10/22/04 \*in progress...

Alan said that there are not any open hole logs past 2100'. I am still waiting on the mud log from the geologist and will forward a copy to you as soon as I get it in the office.

If you have any questions or require additional information, please call me at (432)620-9181.

Sincerely,

❖ Cambrian MANAGEMENT, LTD.

  
Tiffany Grant  
Regulatory Technician

RECEIVED  
OCT 25 2004

Attachments

Cc: Ridgeway Arizona



**Subject:** Re: AZ State 11-18  
**From:** Steve Rauzi <Steve.Rauzi@azgs.az.gov>  
**Date:** Mon, 18 Oct 2004 12:50:48 -0700  
**To:** Alan Amcans <amcans@Cambrianmgmt.com>

Dear Alan,

This will acknowledge receipt of the

1. Haliburton Spectral Density Dual Spaced Neutron log,
2. Haliburton Microlog, and
3. Sundry notice dated 10/14/04 of the block squeeze from 10/05/04 to 10/13/04.

The last sundry notice the Commission received was dated 8/12/04 and included daily summaries through 8/2/04. The last report was your email that the swab line parted and waiting on a pulling unit to recover the swab.

The additional information required for the Commission's file are the daily summaries from the last report in August to the block squeeze in October.

Sincerely,  
Steven L. Rauzi  
Oil & Gas Administrator

Alan Amcans wrote:

Mr. Rauzi,

Ridgeway was able to locate a swab unit to swab the subject well. We recovered approximately 40 bbls of load water on day one and the swab hung up in the hole on day two and the swab line parted. We rig down the swab rig and are currently waiting on a pulling unit to recover the swab.

thanks

Alan D. Means, PE  
Cambrian Management, Ltd

916



**Cambrian**  
MANAGEMENT, LTD.

P.O.Box 272  
Midland, Texas 79702  
Ofc: 432-620-9181  
Fax: 432-570-0102

October 14, 2004

*916*

Steve Rauzi  
State of Arizona  
Oil & Gas Conservation Commission  
416 W. Congress St., Suite 100  
Tucson, Arizona 85701


Dear Mr. Rauzi;

Attached you will find a Sundry Notice on the AZ State 11-18. Block Squeeze dated 10/14/04.

Please let me know if you need any additional information.

Sincerely,

❖ **Cambrian** MANAGEMENT, LTD.

  
Tiffany Grant  
Regulatory Technician

RECEIVED

OCT 18 2004



**Cambrian**  
MANAGEMENT, LTD.

P.O.Box 272  
Midland, Texas 79702  
Ofc: 432-620-9181  
Fax: 432-570-0102

October 14, 2004

966

Steve Rauzi  
State of Arizona  
Oil & Gas Conservation Commission  
416 W. Congress St., Suite 100  
Tucson, Arizona 85701

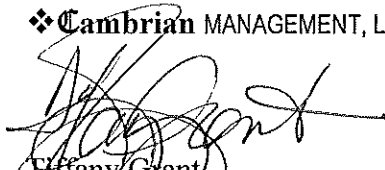
Dear Mr. Rauzi;

Attached you will find open hole logs for the Arizona State 11-18.

Please let me know if you need any additional information.

Sincerely,

❖ **Cambrian** MANAGEMENT, LTD.

  
Tiffany Grant  
Regulatory Technician

RECEIVED

OCT 18 2004

9-22-04

Back to swabbing

Frac'd zone 4 times - setting mostly wtr

If wtr doesn't go away should move up to AW

**Subject:** AZ State 11-18

**From:** Steve Rauzi <Steve.Rauzi@azgs.az.gov>

**Date:** Fri, 17 Sep 2004 09:19:10 -0700

**To:** Alan Ameans <ameans@cambrianmgmt.com>

9/16

Dear Alan,

I haven't received an update on the 11-18 since your email of August 24. Have you recovered the swab from the hole?

I received the 11-18 summary that Ridgeway put out. Ridgeway reported that a cement bond log indicated no cement from 1911-1564. Was the DV tool set at 1564? I discussed this with Joe Crawford about a week ago. He was going to send confirmation about the depth but I have not received that yet.

It has been about four months since the 11-18 well was drilled. As you know, A.A.C. R12-7-121 requires an operator to submit a copy of any lithologic, mud, or wireline log within 30 days of the date the work is done. When do you anticipate submitting these logs for the Commission's file?

Sincerely,

Steven L. Rauzi

Oil & Gas Administrator



**Cambrian**  
MANAGEMENT, LTD.

P.O.Box 272  
Midland, Texas 79702  
Ofc: 432-620-9181  
Fax: 432-570-0102

August 12, 2004

Steve Rauzi  
State of Arizona  
Oil & Gas Conservation Commission  
416 W. Congress St., Suite 100  
Tucson, Arizona 85701

916

Dear Mr. Rauzi;

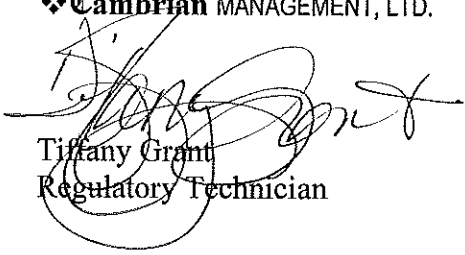
Attached you will find a Sundry Notice on the AZ State 11-18. Fracture Treat – completion.

Fracture Treatment – 07/31/04

Please let me know if you need any additional information.

Sincerely,

❖ **Cambrian** MANAGEMENT, LTD.

  
Tiffany Grant  
Regulatory Technician

RECEIVED

AUG 16 2004

Ridgeway

**Subject:** Ridgeway  
**From:** Alan Ameans <ameans@cambrianmgmt.com>  
**Date:** Tue, 17 Aug 2004 10:49:23 -0500  
**To:** Steve Rauzi <steve.rauzi@azgs.az.gov>

9/6

Mr. Rauzi,

Tiffany will send you a new Sundry Notice on the 11-18 (this one signed) and she will include the flow back info. The well died on 8/2 and we have been waiting on a pulling unit or swab unit. I apologize for the lack of a Sundry on the 3-1, I thought I had completed it and sent it to you. There were no DST's run on the 11-18 during drilling operations. I will speak to Ridgeway again about releasing the log on the 11-18.

I am meeting this afternoon with McCabe Oil to discuss drilling a well in Cococino County, AZ, just north of Flagstaff. They are talking about drilling the well in late October (depending on rig availability).

If you have any questions, please call me I am back in the office, hopefully for the rest of the week.

Thanks

Alan D. Means, PE  
Cambrian Management, Ltd

**Subject:** RE: Status of 3-1, 10-22 and 11-18  
**From:** Alan Ameans <ameans@cambrianmgmt.com>  
**Date:** Thu, 05 Aug 2004 13:07:53 -0500  
**To:** 'Steve Rauzi' <steve.rauzi@azgs.az.gov>  
**CC:** Steve Melzer <melzerls@aol.com>

916

Mr. Rauzi,

We are working on the Sundry notice for the 11-18 frac, the well is currently flowing back and we are waiting on a swab unit to complete the recovery of load water.

I have been instructed to send the well log on the 11-18 when we file the final completion papers if that is acceptable.

We do not have a MIT date for the 3-1 as of yet and we will notify you as soon as we plan the test or P&A of the well.

The 10-22 is on hold at this point.

Thanks

Alan D. Means, PE  
Cambrian Management, Ltd

Dear Alan,

This is a follow up to my email of July 1. It has been a while since I've heard from you by telephone or received a Sundry Notice of intent or subsequent report on Ridgeway's activities..

Did the 11-18 frac start on August 3 as you anticipated?

Do you still plan to use the frac pump truck to test the casing on the 3-1 as you anticipated? I need at least 48 hours notice to witness the 3-1 casing test.

Have you decided to rework the 10-22 as you had previously considered?

When do you anticipate sending the well logs and samples for the 11-18 and gas analyses as referenced in my email of July 1?



RE: Status of 3-1, 10-22 and 11-18

I look forward to hearing from you soon.

Steven L. Rauzi  
Oil & Gas Adminisatrator

**Subject:** Status of 3-1, 10-22 and 11-18  
**From:** Steve Rauzi <Steve.Rauzi@azgs.az.gov>  
**Date:** Thu, 05 Aug 2004 09:40:16 -0700  
**To:** Alan Ameans <ameans@cambrianmgmt.com>

916

Dear Alan,

This is a follow up to my email of July 1. It has been a while since I've heard from you by telephone or received a Sundry Notice of intent or subsequent report on Ridgeway's activities..

Did the 11-18 frac start on August 3 as you anticipated?

Do you still plan to use the frac pump truck to test the casing on the 3-1 as you anticipated? I need at least 48 hours notice to witness the 3-1 casing test.

Have you decided to rework the 10-22 as you had prviously considered?

When do you anticipate sending the well logs and samples for the 11-18 and gas analyses as referenced in my email of July 1?

I look forward to hearing from you soon.

Steven L. Rauzi  
Oil & Gas Adminisatrator



**Cambrian**  
MANAGEMENT, LTD.

P.O.Box 272  
Midland, Texas 79702  
Ofc: 432-620-9181  
Fax: 432-570-0102

July 13, 2004

Steve Rauzi  
State of Arizona  
Oil & Gas Conservation Commission  
416 W. Congress St., Suite 100  
Tucson, Arizona 85701

916

RECEIVED

JUL 19 2004

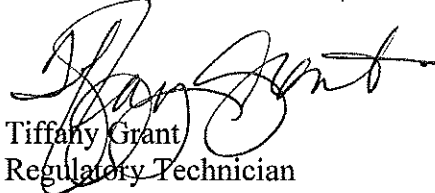
Dear Mr. Rauzi;

Attached you will find three Sundry Notices and Reports on Wells for the AZ State 11-18.  
Fracture Treat – Scheduled for 7/23 or 7/26  
Fracture Treatment – 06/30/04-07/08/04  
Fracture Treatment – 07/09/04-07/10/04

Please let me know if you need any additional information.

Sincerely,

❖ **Cambrian** MANAGEMENT, LTD.

  
Tiffany Grant  
Regulatory Technician



**Cambrian**  
MANAGEMENT, LTD.

P.O.Box 272  
Midland, Texas 79702  
Ofc: 432-620-9181  
Fax: 432-570-0102

Arizona Geological Survey  
416 W. Congress  
Suite 100  
Tucson, Arizona 85701  
Attn: Mr. Steve Rauzi

July 2, 2004

Re: Sundry Notice  
AZ State #11-18  
Lease #13101357

916  
            
  
RECEIVED

JUL 06 2004

Mr. Rauzi

Please find attached a Sundry Notice for the most recent work performed on the AZ State #11-18. In addition, please find attached the daily completion reports and a gas analysis from the Granite Wash zone in the #11-18.

If you have any questions or require additional information, please call me at (432)620-9181.

Sincerely,

❖ **Cambrian** MANAGEMENT, LTD.

Alan D. Means, PE  
Engineer/Owner(L.P.)

attachment

**Subject:** Ridgeway 11-18 State  
**From:** Steve Rauzi <Steve.Rauzi@azgs.az.gov>  
**Date:** Thu, 01 Jul 2004 09:08:13 -0700  
**To:** Alan Means <ameans@cambridgemanagement.com>

916

Dear Alan,

It's been over 30 days since the 11-18 was drilled and this is a reminder that a copy of any logs, tests and surveys are due (and washed and dried samples). As you know, an operator is required to submit these within 30 days of the completion of drilling or the completion of the log, test or survey. I recall that you were not able to log the open hole to TD but that you planned to log from TD after casing the hole.

I have daily summaries through June 6, 2004 and a notice of intent to break down perfs, flow test, and collect necessary samples for analysis on Sundry Notices dated June 9, 2004. When do you anticipate sending the daily summaries through the end of June and the subsequent reports with the flow results and gas analyses?

I received a Ridgeway news release reporting helium contents in the Fort Apache, Amos Wash, and granite wash zones in the 11-18. The news release also reported helium contents in the 10-22 and 9-21 wells, which were drilled in 1997. I checked and did not find a copy of these gas analyses in the Oil and Gas Conservation Commission's files. Please forward a copy of these analyses for the Commission's files.

Sincerely,  
Steven L. Rauzi

*Called Alan,*

*Not getting a lot of gas out of zone.*

*put on a little acetic acid yesterday*

*Plan to set plug & test upper zones.*

*we're down a couple weeks but now have pulling unit.  
will prepare sundry notice & get it to me.*

*Will contact Carmen to look for 10-22 & 9-21 analyses.  
Will get copies of logs sent also.*



**Cambrian**  
MANAGEMENT, LTD.

P.O.Box 272  
Midland, Texas 79702  
Ofc: 432-620-9181  
Fax: 432-570-0102

Arizona Geological Survey  
416 W. Congress  
Suite 100  
Tucson, Arizona 85701  
Attn: Mr. Steve Rauzi

916

June 9, 2004

Re: Sundry Notices  
AZ #11-18

Mr. Rauzi

Please find attached Sundry Notices for the Ridgeway AZ #11-18. If you have any questions of require additional information, please call me at (432)620-9181.

Sincerely,

❖ **Cambrian** MANAGEMENT, LTD.

Alan D. Means, PE  
Engineer/Owner(L.P.)

Attachment

Cc: Ridgeway-St. Johns

RECEIVED  
JUN 14 2004

**Subject:** AZ #11-18

**From:** Alan Ameans <ameans@cambrianmgmt.com>

**Date:** Fri, 04 Jun 2004 14:43:36 -0500

**To:** Steve Rauzi <steve.rauzi@azgs.az.gov>

Steve,

We have not been able to get a pulling unit, therefore we started the job with the drilling rig. Attached are the morning reports to date. We will perforate the Granite Wash lower section today from 2270' to 2305'. I will start sending Subsequent Sundry Notices next week. We will probably release the drilling rig tomorrow and proceed testing and perforating via a mast truck. If you have any questions please call me at (432)620-9181.

Alan D. Means, PE  
Cambrian Management, Ltd

**Subject:** RE: Sundry Notices  
**From:** Alan Ameans <ameans@cambrianmgmt.com>  
**Date:** Fri, 28 May 2004 07:55:18 -0500  
**To:** 'Steve Rauzi' <steve.rauzi@azgs.az.gov>

Steve

It will be a distant offset to the Clayton Williams well. They plan to drill later this year. Possibly late summer, early fall. It is to early to tell if our client is going to have us permit or if they are going to do it.

Alan

Alan D. Means, PE  
Cambrian Management, Ltd

-----Original Message-----

**From:** Steve Rauzi [mailto:steve.rauzi@azgs.az.gov]  
**Sent:** Thursday, May 27, 2004 5:15 PM  
**To:** Alan Ameans  
**Subject:** Re: Sundry Notices

Alan,

The 11-18 State casing settings are adequately described on the daily drilling reports that you submitted.

I was not aware of a planned hole in Coconino Co but your proposed casing depths sound adequate. Is this a follow-up to the hole drilled by Clayton Williams late last year? Are you preparing an application for a permit to drill?

Steve

Alan Ameans wrote:

Steve,

Do we need to file individual "Sundry Notices" for casing settings on the Ridgeway AZ, 11-18? I mailed the water analysis to you today. Also, we have been contacted by a local company here in Midland to drill a well in Coconino County, AZ. We plan to run 9 5/8" casing to around 300'-500' for well control and then set 7" thru the freshwater at 3500'. Do you see a problem with these setting depths? The well is located on the Babbitt Ranch north of Flagstaff.

Thanks

Alan D. Means, PE  
Cambrian Management, Ltd

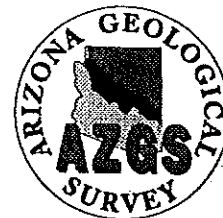




Janet Napolitano  
Governor

State of Arizona  
**Arizona Geological Survey**

416 W. Congress, Suite 100  
Tucson, Arizona 85701  
(520) 770-3500  
[www.azgs.az.gov](http://www.azgs.az.gov)



Larry D. Fellows  
Director and State Geologist

April 22, 2004

Delwin Wengert  
P.O. Box 428  
St. Johns, AZ 85936

916

Re: Ridgeway #11-33 State, Sec. 33-11n-30e, Apache Co., Permit #915  
Ridgeway #11-18 State, Sec. 18-11n-30e, Apache Co., Permit #916 ✓  
Ridgeway #10-13 State, Sec. 13-10n-30e, Apache Co., Permit #917

Dear Mr. Wengert:

I have enclosed a copy of the approved applications to drill the referenced wells because of the Arizona Oil and Gas Conservation Commission's policy to inform county government about proposed exploration and drilling activity.

The Commission issues a permit to drill under A.R.S. § 27-513. The permit is issued for wells that are in compliance with applicable statutes (A.R.S. § 27-516) and rules (12 A.A.C. 7), which were promulgated to safeguard the public health and safety and protect the environment and natural resources.

Sincerely,

Steven L. Rauzi  
Oil and Gas Administrator

Enclosures

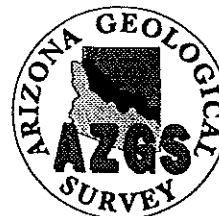
c J. Dale Nations, Chairman, Oil and Gas Conservation Commission  
Larry D. Fellows, Director and State Geologist



Janet Napolitano  
Governor

State of Arizona  
**Arizona Geological Survey**

416 W. Congress, Suite 100  
Tucson, Arizona 85701  
(520) 770-3500  
[www.azgs.az.gov](http://www.azgs.az.gov)



Larry D. Fellows  
Director and State Geologist

April 22, 2004

Mr. Alan D. Means  
Cambrian Management  
P O Box 272  
Midland TX 79702

916

Re: Ridgeway #11-33 State, Sec. 33-11n-30e, Apache Co., Permit #915  
Ridgeway #11-18 State, Sec. 18-11n-30e, Apache Co., Permit #916 ✓  
Ridgeway #10-13 State, Sec. 13-10n-30e, Apache Co., Permit #917

Dear Mr. Means:

I have enclosed approved duplicate original applications to drill; Permits #915, #916, and #917; and filing-fee receipt #3120 for the referenced wells.

The applications are approved on the condition that Ridgeway conduct operations in full compliance with all applicable statutes and rules of the State of Arizona and that you *notify me at least 24 hours* before you:

- Move in drilling equipment and commence operations,
- Run and cement surface casing, and
- Nipple up and test the BOPE

An operator shall post a sign at the well site pursuant to A.A.C. R12-7-106 and submit drilling samples and all other well data and information pursuant to A.A.C. R12-7-121. A copy of these rules and several Sundry Notice forms are enclosed for your use in reporting all pertinent drilling and testing activity to the Oil and Gas Conservation Commission of the State of Arizona. Daily drilling reports shall detail the spud date, progress and status of the well and shall be submitted to the Commission on a weekly basis through the completion of operations.

Sincerely,

Steven L. Rauzi  
Oil & Gas Administrator

Enclosures

c J. Dale Nations, Chairman, Oil and Gas Conservation Commission  
Larry D. Fellows, Director and State Geologist



**Ridgeway**  
**Petroleum Corp.**

P.O. Box 1110  
St. Johns, AZ 85936

State of Arizona  
Arizona Geological Survey  
416 W. Congress  
Suite 100  
Tucson, Arizona 85701  
Attn: Mr. Steve Rauzi

9/6

April 16, 2004

Re: Drilling Permit  
Ridgeway Arizona Oil Corporation  
State #11-18  
Unorthodox Location

Mr. Rauzi

Ridgeway Arizona Oil Corporation respectfully request approval of an unorthodox location for the State #11-18 for topographic reasons. We propose that the well be located 1320' FWL and 1320' FSL of Section 18, T11N, R30E. A standard location as determined by State of Arizona Rule 12.7.107B requires the well be 1660' from the nearest section line. Placement of the well 1660' from the lease line would locate it in an intermittent stream bed. Due topographic and storm water concerns we request approval to locate the well at the aforementioned location.

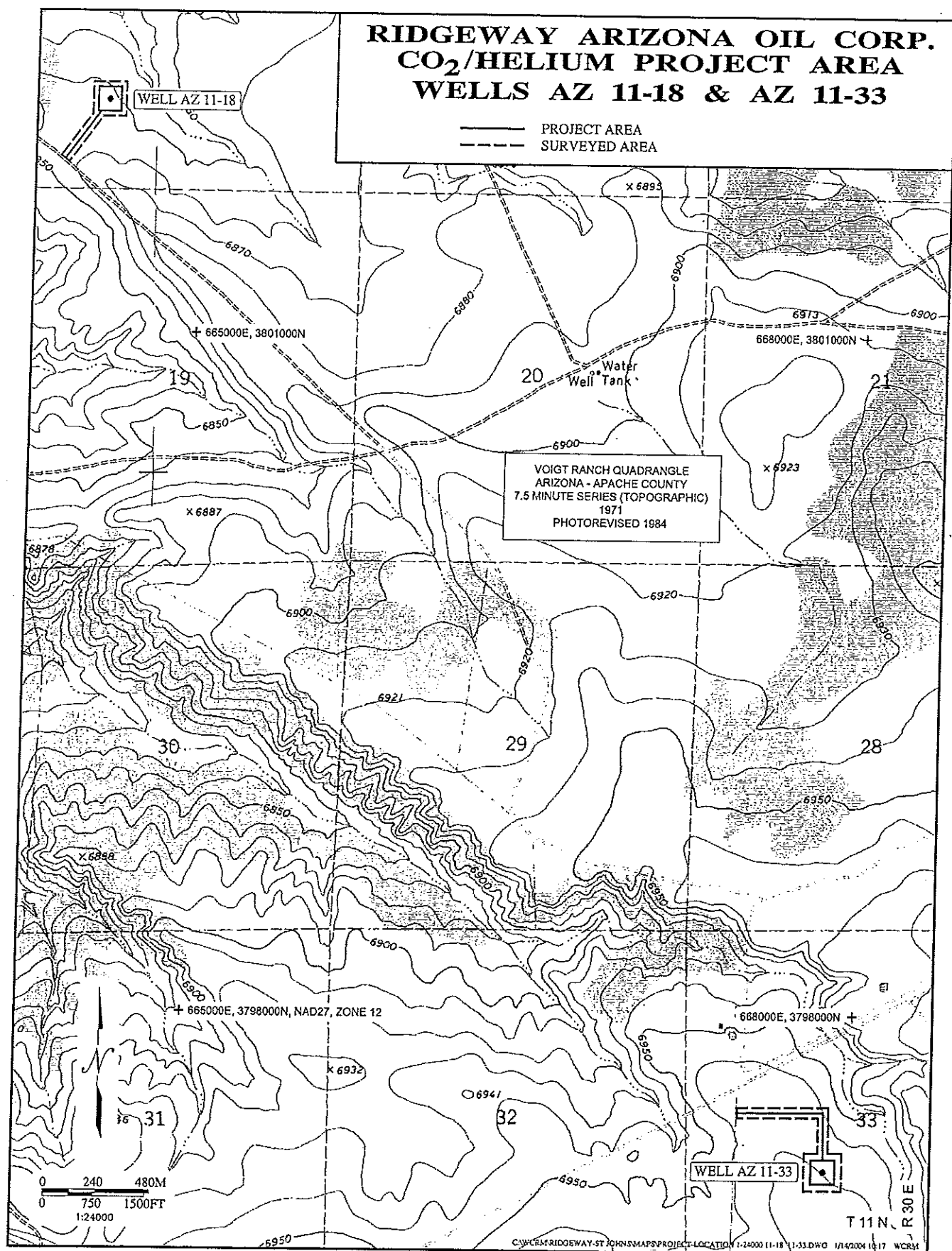
Please find attached a section of the Voigt Ranch Quadrangle topo map. If you have any questions or require additional information, please call me at (432)620-9181.

Respectfully,

Alan D. Means, PE  
Agent for Ridgeway Arizona Oil Corporation

Attachment

Cc: Carmen Tanner





**Ridgeway**  
**Petroleum Corp.**

P.O. Box 1110  
St. Johns, AZ 85936

State of Arizona  
Arizona Geological Survey  
416 W. Congress  
Suite 100  
Tucson, Arizona 85701  
Attn: Mr. Steve Rauzi

April 14, 2004

Via: FedEx

Re: Ridgeway Arizona Oil Corporation  
Drilling Permits Wells 10-13, 11-18, & 11-33  
St. Johns CO2/Helium Field  
Apache County, Arizona

Mr. Rauzi

Please find attached corrected drilling permits for the subject wells. Additionally, find attached a "Drilling Prognosis" for the three wells. The only changes from well to well may be the total depth. The geologist on location will call the total depth based on cutting recovery. It is anticipated that the deepest total depth will be 2800'. All wells will be cemented to the surface in order to insure protection of the freshwater and CO2/Helium producing zones. The production casing has been boronized in order to protect it from carbolic acid attack.

If you have any questions or require additional information, please feel free to call me at (432)620-9181.

Respectfully,

Alan D. Means, PE  
Agent for Ridgeway Arizona Oil Corporation

attachment

916



**Ridgeway**

**Petroleum Corp.**

P.O. Box 1110

St. Johns, AZ 85936

State of Arizona  
Arizona Geological Survey  
416 W. Congress  
Suite 100  
Tucson, Arizona 85701  
Attn: Mr. Steve Rauzi

Via: FedEx

April 2, 2004

Re: Drilling Permits  
Ridgeway Arizona Oil Corporation  
State #10-13, 11-18 & 11-33

Mr. Rauzi

Please find attached an additional copy of Form #3 "Application for Permit to Drill or Re-enter" for the subject wells located in Apache County, Arizona. In addition find attached a check in the amount of \$75.00 for the filing fees. If you have any questions or require additional information, please feel free to call me at (432)620-9181.

Respectfully,

Alan D. Means, PE  
Agent for Ridgeway AZ Oil Corporation

Attachment

Cc: Carmen Tanner

916



**Ridgeway**

**Petroleum Corp.**

P.O. Box 1110

St. Johns, AZ 85936

State of Arizona  
Arizona Geological Survey  
416 W. Congress  
Suite 100  
Tucson, Arizona 85701  
Attn: Mr. Steve Rauzi

916

April 1, 2004

Re: Drilling Permits  
Ridgeway Arizona Oil Corporation  
State #10-13, 11-18 & 11-33

Mr. Rauzi

Please find attached Form #3 "Application for Permit to Drill or Re-enter" for the subject wells located in Apache County, Arizona. If you have any questions or require additional information, please feel free to call me at (432)620-9181.

Respectfully,

Alan D. Means, PE  
Agent for Ridgeway AZ Oil Corporation

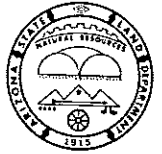
Attachment

Cc: Carmen Tanner

Janet Napolitano  
Governor

Mark Winkleman  
State Land  
Commissioner

# Arizona State Land Department



1616 West Adams Street Phoenix, AZ 85007 [www.land.state.az.us](http://www.land.state.az.us)

March 30, 2004

Mr. Alan D. Means, PE  
Agent for Ridgeway Arizona Oil Corporation  
P.O. Box 272  
Midland TX 79702

916

Re: Surface Use Plan for Oil and Gas development, approval

Mr. Means

The Surface Use Plan for Oil and Gas drilling submitted by Ridgeway Arizona Oil Corporation is complete and is approved as of this date. The approved plan consists of the Surface Use Plan dated January 26, 2004 together with Supplements 1 and 2 dated January 31, 2004 and March 12, 2004 respectively, and the Conditions of Approval signed by Mr. Walter Ruck, President, Ridgeway Petroleum Corp., and forwarded to the Department on March 24, 2004.

By copy of this letter the Arizona Geological Survey OGCC Administrator is advised that the Land Department, as lessor, has accepted and approved the Surface Use Plan, including access routes as designated.

Sincerely,

Richard Ahern

RECEIVED

MAR 31 2004

cc: Eric Thornton  
Steve Rauzi, OGCC Administrator  
Mike Rice